Daily Report

Central Eurasia

FBIS-SOV-95-078
Monday
24 April 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
Central Eurasia

FBIS-SOV-95-078 *24 April 1995*

CONTENTS

NOTICE: An * indicates material not previously disseminated in electronic form.

INTERREGIONAL AFFAIRS

Central Asian Prime Ministers End Meeting, Sign Documents *[ITAR-TASS]* 1
CIS Ministers Plan 'Further Work' on Human Rights Convention *[ITAR-TASS]* 1
Further on CIS Ministerial Councils *[ITAR-TASS]* 1
Four CIS States Urge Tajik Sides To Boost Negotiations *[ITAR-TASS]* 2
CIS Summit Scheduled To Convene in Minsk on 26 May *[ZVYAZDA 19 Apr]* 2
Further on Establishing Single CIS Nuclear Energy Center *[BELAPAN]* 2
ITAR-TASS Carries Press Review for 22 Apr 2

RUSSIA INTERNATIONAL AFFAIRS

American Missing in Chechnya; 'May Seriously Affect' Ties *[Moscow Radio]* 4
Russian, U.S. Nuclear Exports 'Technically Equal' *[ITAR-TASS]* 4
Kozyrev Discusses Bosnia, Chechnya, NATO With Denmark's Petersen *[ITAR-TASS]* 5
Outlines Foreign Policy in Copenhagen Speech *[ITAR-TASS]* 5
Leaves Denmark for U.S. *[ITAR-TASS]* 6
Arrives in New York for NPT Conference *[ITAR-TASS]* 6
Kozyrev: Work Needed on Issues in 'Near Abroad' *[Radio Rossii]* 6
Deputy Defense Minister Backs Kozyrev Warning on Ethnic Russians *[ITAR-TASS]* 6
Black Sea Fleet Officer Accuses Ukrainian Militia of Persecution *[ITAR-TASS]* 6
Energy Ministry 'Confirms' Smuggled Plutonium Not Russian *[Berlin DDP/ADN]* 7
Representative to UN Criticizes Resolution on Yugoslavia *[ITAR-TASS]* 7
Energy Minister Shafranik in Baghdad for Cooperation Talks *[ITAR-TASS]* 8

RUSSIA NATIONAL AFFAIRS

Political Issues

Chernomyrdin Presents 'Major' Peace Initiative *[ITAR-TASS]* 9
'Peace and Accord Charter' Signed *[Moscow Radio]* 9
Chernomyrdin Message Issued *[INTERFAX]* 9
Rights Commission Briefs Press on Chechnya *[Moscow RTV]* 10
Shokhin, Gerashchenko Dismissed From IMF, MIGA *[ITAR-TASS]* 10
Sports Minister Interviewed on Yeltsin's Fitness *[KOMSOMOLSKAYA PRAVDA 18 Apr]* 10
Yeltsin Signs Laws Adopted by State Duma *[ITAR-TASS]* 11
Yeltsin Takes Part in Easter Ceremony *[Moscow RTV]* 11
Security Service Official on 1994 Spy Activity *[Moscow RTV]* 11
Government Approves Licensing Rules for Secrets *[MOSKOVSKIY KOMSOMOLETS 20 Apr]* 12
Yeltsin Urged To Enter Election Campaign *[ITAR-TASS]* 12
Shakhray Not To Compete in 1996 Elections *[INTERFAX]* 12
Yavlinskiy Confirms Entry in Presidential Race *[INTERFAX]* 13
Filatov Calls For Unity Among Democrats *[INTERFAX]* 13
Democrats Seek Alliance To Oppose LDPR, Communists *[ITAR-TASS]* 14
New Party Rejects 'Orthodox Monetarist' Road *[RABOCHAYA TRIBUNA 19 Apr]* 14
New Industrial Party Examined *[NEZAVISIMAYA GAZETA 20 Apr]* 15
Military Industrial Complex To Create New Party *[NEZAVISIMAYA GAZETA 20 Apr]* 16
Starovoytova on Current Political Issues *[ARGUMENTY I FAKTY Apr]* 16
'Difficulties' Expected with VE-Day Events *[KOMSOMOLSKAYA PRAVDA 20 Apr]* 19
Kotenkov on Limits of Region-Center Power Sharing *[SEGODNYA 20 Apr]* 19
Constitutional Court's Workings Explained *[ROSSIYSKAYA GAZETA 19 Apr]* 20
Law on Energy Price Regulation Published *[ROSSIYSKAYA GAZETA 20 Apr]* 21
Food Supply Situation Termed 'Critical' *[PRAVDA 21 Apr]* 25

Media Issues

Public TV Leaders Said Curbing Reporters' Freedom *[NEZAVISIMAYA GAZETA 19 Apr]* 26

Military, Nuclear & Space Issues

Source: Grachev Must Report Contacts to Yeltsin *[NEZAVISIMAYA GAZETA 18 Apr]* 26
Grachev Fails To Appear in Court on Libel Suit *[INTERFAX]* 26
Grachev 'Satisfied' With Tour of Missile Units *[KRASNAYA ZVEZDA 18 Apr]* 26

Expert on Failure of Topol Missile Launch *[SEGODNYA 20 Apr]* 27
Lebed Threatens To Resign; May Run for President *[AFP]* 27
Kurchatov Aide on Nuclear Materials Control *[RABOCHAYA TRIBUNA 21 Apr]* 28

Federal Assembly

Duma Resubmits Election Law Package *[IZVESTIYA 22 Apr]* 29
Package Passed, Amendments Rejected *[SEGODNYA 22 Apr]* 29
Forged Nominations for Two Candidates Discovered *[INTERFAX]* 30
Paper Plans To Publish Voting Records *[ARGUMENTY I FAKTY Apr]* 30
Law Adopted on Transfer of State-Owned Shares *[ITAR-TASS]* 31
Duma Fails To Pass Law on Rights Commissioner *[INTERFAX]* 31
Duma Adopts Decree on Defense Order 'In Principle' *[INTERFAX]* 31
Duma Adopts Resolution To Combat Tax Evasion *[ITAR-TASS]* 32
Duma Ratifies Treaty on Renting Baykonur *[ITAR-TASS]* 32

Regional Affairs

Reportage, Commentary on Situation in Chechnya 32
Passenger Flights Resume From Groznyy *[ITAR-TASS]* 32
Health Care Being Restored in Chechnya *[INTERFAX]* 32
Rail Traffic via Chechnya Restored *[ITAR-TASS]* 33
Search for Missing American Continues *[ITAR-TASS]* 33
Southern Group Reaches Dagestan Border *[INTERFAX]* 33
Moscow Pushes To End Conflict by 9 May *[Moscow NTV]* 33
Chechen Parliament Appeals to Russian MPs *[Moscow Radio]* 34
Federal Troops Disarm Illegal Units in Bamut *[INTERFAX]* 34
Federal Troops Continue To Shell Bamut *[INTERFAX]* 34
Rail, Auto Traffic Resuming *[ITAR-TASS]* 35
No Combat in Bamut, Orekhovo Areas 22 Apr *[ITAR-TASS]* 35
Federal Troops Shell Yandi 23 Apr *[ITAR-TASS]* 35
Sixteen Federal Troops Killed *[ITAR-TASS]* 35
Sakha 1995-1996 Development Prospects *[RESPUBLIKA SAKHA 7 Mar]* 36
Nizhniy Novgorod Legislative Assembly Defines Goals
[NIZHEGORODSKIYE NOVOSTI 1 Apr] 41

Economic Issues

Government Offers Incentives To Reduce Wage Payment Arrears *[ITAR-TASS]* 44
Finance Minister Blames Regions for Delay in Wage Payments *[Moscow RTV]* 44
Chubays Notes Improvement in Wage Payments in 1995 *[INTERFAX]* 45
Ministers, Managers Blamed for Wage Delays *[KOMMERSANT-DAILY 21 Apr]* 45
Finance Minister Sees 'No Point' in Fixed Ruble Rate *[ROSSIYSKIYE VESTI 20 Apr]* 46
Central Bank's Paramonova Expects Ruble To Gain Against Dollar *[ITAR-TASS]* 46
Dollar's Fall Seen as Enhancing Role of Ruble *[ROSSIYSKAYA GAZETA 21 Apr]* 46
Economic Analyst Sees Dollar as Overvalued *[IZVESTIYA 22 Apr]* 47
Banks Say New Reserve Rules Threaten Accord With Government
[KOMMERSANT-DAILY 20 Apr] 48
Chubays Promises To Regulate Securities Market *[TRUD 19 Apr]* 49
Government Plans Medium-Term Securities Issue *[TRUD 20 Apr]* 50
Moscow Government Floats Loan Bonds *[TRUD 20 Apr]* 50
Export, Import Liberalization Questioned *[ROSSIYSKAYA GAZETA 21 Apr]* 51
Soskovets: Value of Known Natural Resources Is $29 Trillion *[INTERFAX]* 52
Energy Minister Opposes Cry for Oil Export Liberalization *[SEGODNYA 19 Apr]* 52
LUKoil Will Not Start Selling Stock to West Until 1996 *[INTERFAX]* 52
LUKoil Takes Share in Caspian Oil Development *[ITAR-TASS]* 53
Shafranik Cited on Lucrative Oil Projects *[SEGODNYA 22 Apr]* 53
Text of Decree on State Regulation of Gas Prices *[ROSSIYSKAYA GAZETA 21 Apr]* 54
Government Decree on Gas Prices Assessed *[ROSSIYSKAYA GAZETA 21 Apr]* 54
Zaveryukha: Russia Mus. Become Independent in Food Supplies *[INTERFAX]* 55
Minister: Sowing Held Up by Fuel, Fertilizer Shortage *[ITAR-TASS]* 55
Spring Sowing Pace 'Totally Inadequate' *[PRAVDA 20 Apr]* 55

UKRAINE

International Affairs

Kuchma Attacks Europe's 'Wait-And-See' Stand *[Kiev TV]* 56
Ukrainian Official Elected Deputy Chairman of CIS Body *[UNIAN]* 56
Ukraine Rejects CIS External Border Accord *[UNIAN]* 56
Udovenko Addresses CEI Session in Krakow *[Kiev International]* 56
Udovenko, Polish Minister Meet, Pledge Cooperation *[Kiev International]* 56

Shmarov Reports No Progress in Black Sea Fleet Talks *[Kiev TV]* 57
Marchuk: Talks With Yeltsin 'Frank,' 'Constructive'
[DEMOKRATYCHNA UKRAYINA 20 Apr] 57
Financial-Industrial Group To Be Set Up With Russian Plants *[INFOBANK]* 57
Turkmen Gas Supply Debt Repayments Discussed *[TURKMEN PRESS]* 57

National Affairs

President Gives Easter Address to Nation *[INTERFAX]* 58
Ministry To Ensure Implementation of IAEA Accord *[UNIAN]* 58
Communist Party Official: 'No Alternative' to Socialism *[UNIAN]* 58
Moroz Hopes Crimea Will Obey Ukrainian Constitution *[INTERFAX]* 58
Crimean-Ukrainian Parliament Talks Break Down *[ITAR-TASS]* 59
Crimean Government Meets; Appoints New Deputy Premiers *[UNIAN]* 59
Crimean Official Attempts To Seal Meshkov's Office *[INTERFAX]* 59
Skepticism at Parliament Bomb Threat *[KRYMSKIYE IZVESTIYA 19 Apr]* 59
Deputy Justice Minister on Establishing New Legal System *[INTELNEWS]* 60
Space Agency Officials on Possible Deals With U.S. *[INFOBANK]* 62
Ecological Organizations Release Data Concerning Chernobyl *[Kiev International]* 62
Government Statement on Chernobyl Closure *[UNIAR]* 62
Expert Stresses Continuing Hazard *[MOLOD UKRAYINY 20 Apr]* 62
Radioactive Steam Leaks at Zaporozhye Nuclear Plant *[UNIAN]* 63
Ukraine To Organize Nuclear Fuel Production *[ITAR-TASS]* 64

Economic Issues

Kiev Publishes Details of 1995 Budget *[INTERFAX]* 64
Privatization of Agricultural Services Progressing at 'Swift Pace' *[INFOBANK]* 64

WESTERN REGION

Belarus

Lukashenka: West Must Finance Continued Arms Destruction *[INTERFAX]* 66
Lukashenka's 'Victory' Over Press Viewed *[SVABODA 7 Apr]* 66
President on Industry 'Giant,' Decrease in Refinancing Rate *[Minsk TV]* 68
Problems of Financing Elections *[Minsk International]* 68
President's Aide on Election, Church 'Appeals' *[ZVYAZDA 15 Apr]* 68
Eighty Percent of Enterprises on Verge of Collapse *[Minsk International]* 69

Moldova

Lucinschi Signs 1995-96 State Privatization Program *[INFOTAG]* 69
Socialists Predict 'Powerful' Left-Wing Bloc *[INFOTAG]* 69
Local Election Results Announced *[INTERFAX]* 70
PDAM Wins Over 60 Percent of Seats in Local Bodies *[INFOTAG]* 70
PSDM Leader Taranu on 16 Apr Local Election Results *[INFOTAG]* 70
Proposal To Amend Procedure for Electing Gagauzi Bashkan Introduced *[INFOTAG]* 71
Opposition Daily Praises Chisinau Students' Strike *[BASAPRESS]* 71
GDP Drops by 21 Percent Over First Quarter *[BASAPRESS]* 72

CENTRAL ASIA

Kazakhstan

Kazakhstan Begins Eliminating ICBM Silos *[ITAR-TASS]* 73
Uzbek-Kazakh Joint Venture Plies 'Silk Road' *[Almaty TV]* 73
Cooperation With West To Develop Oil Industry *[NEZAVISIMAYA GAZETA 21 Apr]* 73
Scientists Cooperating With Swedes in Explosives Industry *[Almaty Radio]* 74
Kazakh Group Seeks Withdrawal of Troops *[NEZAVISIMAYA GAZETA 15 Apr]* 74
Nazarbayev Delivers Easter Speech *[Almaty TV]* 75
Nazarbayev Addresses Friday Prayers at Almaty Mosque *[Almaty TV]* 75
President Issues Decree on Securities *[Almaty TV]* 76
Nazarbayev Signs Edict on Foreign Investment *[ITAR-TASS]* 76
Nazarbayev Appeals For Public Support To Extend Mandate *[INTERFAX]* 76
Uighurs Urged To Support Nazarbayev Referendum *[Almaty Radio]* 77
Communist Party Says Referendum 'Unconstitutional' *[Almaty TV]* 77

Kyrgyzstan

Parliament Defies President Over Constitutional Court *[ITAR-TASS]* 77
Akayev Refuses To Endorse Power-Sharing Amendments *[INTERFAX]* 78
New Government Ministers, State Committee Heads Appointed *[Bishkek Radio]* 78

Tajikistan

Rakhmanov Sends Condolences to U.S. President *[ITAR-TASS]* 79
Moscow Seen 'Clinging' to Tajik Regime *[IZVESTIYA 22 Apr]* 79
Reportage on Inter-Tajik Consultations in Moscow 80
Deputy Prime Minister Comments on Moscow Talks *[INTERFAX]* 80
Problems Aired at Consultations *[ITAR-TASS]* 80
Tajik Opposition To Continue Negotiations *[ITAR-TASS]* 81
Opposition Protests Cease-Fire Violations *[INTERFAX]* 82
'Both Sides' Favor Fourth Round of Talks *[Moscow ORT]* 82
Cease-Fire Violation Charges Dismissed *[Dushanbe Radio]* 82
Workers Demand Opposition Leave Country *[Dushanbe Radio]* 83
Deployment to Gorno-Badakhshan Defended *[INTERFAX]* 83
Rakhmanov Ready To Meet Islamic Rebirth Movement Leader *[Dushanbe Radio]* 83
Analyst Foresees Increased Border Strife *[NEZAVISIMAYA GAZETA 13 Apr]* 83
Changes in Leadership Posts Evaluated *[NEZAVISIMAYA GAZETA 12 Apr]* 85

Uzbekistan

'Unprecedented' Meeting of Uzbek Leaders, Tajik Opposition *[KARAVAN-BLITS 19 Apr]* 87
Karimov Cites Disciplinary Action Against 9,000 Officials *[NARODNOYE SLOVO 22 Apr]* 87
Japanese Credit of $85 Million To Be Spent on Fuel Projects
[BIZNES VESTNIK VOSTOKA 21-27 Apr] 88
Foreign Investment Director Reacts to Istanbul Forum *[VATAN 21 Apr]* 88

CAUCASUS

Armenia

President, Premier Receive U.S. Energy Official *[Yerevan Radio]* 89
Ter-Petrosyan Favors Closer Economic Relations With Turkey *[INTERFAX]* 89
President on Genocide, Ties With Turkey *[Yerevan International]* 89
Baburin-Led Russian Duma Delegation Visits *[NOYAN TAPAN]* 90
Backs Integration of Former Soviet Republics *[SNARK]* 91
Duma Delegation Visits Nagorno-Karabakh *[SNARK]* 91
Russian Ambassador on Duma Resolution on Genocide *[NOYAN TAPAN]* 91
CIS Interparliamentary Assembly Condemns 1915 Genocide
[ARAGIL ELECTRONIC NEWS BULLETIN] 92
Parliament Document Adopted on Genocide Anniversary *[SNARK]* 92
Foreign Ministry Statement Denies Nagorno-Karabakh Pullout *[NOYAN TAPAN]* 92
Unity Necessary To Succeed in Elections *[NOYAN TAPAN]* 92
Parliamentary Election Participants Detailed *[INTERFAX]* 93
Communist Party 'Condemns' Its Parliament Members *[SNARK]* 93
ARF Publishes Newspaper Despite Government Prohibition *[NOYAN TAPAN]* 93

Azerbaijan

U.S.-Azerbaijani Trade Agreement Ratified *[TURAN]* 93
U.S. Energy Department's White Meets Officials 94
Gasanov Comments on Meeting *[TURAN]* 94
Aliyev Discusses Oil Consortium *[TURAN]* 94
Oil Pipeline Through Georgia Backed *[TURAN]* 95
Aliyev Meets U.S. Businessman, Gives Condolences on Blast *[TURAN]* 95
Turkish Air Corridor to Armenia Part of U.S. Peace Plan *[TURAN]* 95
State Oil Chairman Invites Iranian Oil Ministry for Talks *[Baku TV]* 96
Aliyev, Iranian Envoy Discuss Problems With Oil Consortium *[Baku TV]* 96
Aliyev: 'Huge Potential' for Iran in Oil Development *[Tehran IRNA]* 96
Guluzade: Pipeline Route Depends on Armenian Policy Change *[TURAN]* 97
Iraqi Industry Minister Invited for Cooperation Talks *[Baku TV]* 97
Russian Official, OSCE Meet on Nagorno-Karabakh *[TURAN]* 97
Chechnya President's Adviser Gives News Conference *[TURAN]* 98
Party Leader Supports 'Authoritarian' Rule *[ZERKALO 15 Apr]* 98

Georgia

Shevardnadze on U.S., Iran Interests in Georgia *[ITAR-TASS]* 99
Iranian President Hashemi-Rafsanjani Pays Official Visit 99
Six Cooperation Documents Signed *[Tehran IRNA]* 99
Shevardnadze, Hashemi-Rafsanjani Discuss Abkhazia *[IPRINDA]* 100
Hashemi-Rafsanjani Condemns Oklahoma Bombing *[Tehran IRNA]* 100
World Bank To Grant 'Rehabilitation' Credit *[SVOBODNAYA GRUZIYA 11 Apr]* 101
Germany Sends 25 Tonnes of Relief Supplies *[ITAR-TASS]* 101
Shevardnadze Discusses Situation With OSCE Official *[Tbilisi Radio]* 101

Shevardnadze: Preconditions Exist To Settle Conflict *[INTERFAX]* 101
Tbilisi Dissatisfied With Peacekeepers in Abkhazia *[INTERFAX]* 102
Parliament Forms Commission on Elections, Constitution *[SVOBODNAYA GRUZIYA 8 Apr]* 102

BALTIC STATES

Estonia

Meri: Kozyrev Statement Attests to 'Belligerent' Approach *[INTERFAX]* 103
Baltic Assembly: Ruutel on Internal Border Disputes *[Tallinn Radio]* 103
Estonian, Finnish Police Discuss Drug Trafficking *[Tallinn Radio]* 103
Envoy to UN Affirms Support for Nuclear Disarmament Pacts *[ETA]* 104

Latvia

U.S. Firm To Demolish Skrunda Radar Station 4 May *[Moscow NTV]* 104
Lithuanian Note on Oil Extraction on Baltic Sea Shelf *[LABRIT 7 Apr]* 104
Ambassador To Represent State at 9 May Moscow Celebrations *[DIENA 12 Apr]* 105
President Sends Letter to Yeltsin Regarding 9 May Ceremony *[LABRIT 12 Apr]* 105
Repressed Persons Law Places Responsibility on U.S. *[LABRIT 13 Apr]* 105
Birkavs, Estonian Counterpart Sign Memorandum on Sea Border *[Riga Radio]* 105
Latvian, Polish Finance Ministers Hold News Conference *[Riga Radio]* 105
Baltic Assembly Concerned Over Kozyrev's Comments *[ITAR-TASS]* 106
Baltic Assembly in Defense of Chechnya; Leadership Elected *[Tallinn TV]* 106

Lithuania

Brazauskas Demands Money Laundering Scandal Investigation *[Vilnius Radio]* 106
Government Seeks 'Indefinite' Extension of NPT *[BNS]* 106
Prime Minister Slezevicius Visits Venezuela *[Vilnius Radio]* 107
Polish Deputy Prime Minister Visits; To Discuss Agriculture *[Vilnius Radio]* 107

Central Asian Prime Ministers End Meeting, Sign Documents

LD2404105395 Moscow ITAR-TASS World Service in Russian 0939 GMT 24 Apr 95

[By ITAR-TASS correspondent Boris Maynayev]

[FBIS Translated Text] Bishkek, 24 Apr—A number of documents deepening the processes of integration within Central Asia were signed at today's meeting of the council of heads of government of Kazakhstan, Uzbekistan, and Kyrgyzstan held in Bishkek. Akezhan Qazhygeldin, Abdulkhashim Mutalov, and Abbas Dzhumagulov, respectively, signed a program to integrate the republics economically by the year 2000, a list of the member-states' investment projects, a schedule for implementing the agreement on setting up a single economic space for 1995, and other documents.

All three countries intend making their first contributions to the funds of the Asian Bank, which they have set up by the end of May. The promising joint projects of the three states include the "Sugar" [Sakhar] program, which enables the sugar needs of the three countries to be met by sugar produced in Kyrgyzstan factories. According to Akezhan Qazhygeldin, head of the council of heads of governments, the continuing construction of the hydroelectric power station on Kyrgyzstan's Naryn River may attract Western investors. The Uzbek prime minister described the joint mining of phosphorite ore in southern Kazakhstan as a priority.

CIS Ministers Plan 'Further Work' on Human Rights Convention

LD2104113395 Moscow ITAR-TASS in English 1118 GMT 21 Apr 95

[By Valeriy Sevryukov and Andrey Urban]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—Members of the Council of Ministers of Foreign Affairs of the Commonwealth of Independent States who met in Moscow today have considered and approved all items on the agenda with the exception of the draft convention of human rights and basic freedoms in the Commonwealth, Kazakhstan Foreign Minister Qasymzhomart Toqayev said in an exclusive interview with ITAR-TASS today.

According to Toqayev, a majority of delegations favoured further work on the document and a different name for it. They thought it should be called a memorandum or a declaration. Kazakhstan agreed with that approach.

Toqayev also said that the meeting of the group of five which took place on Thursday was held "in a constructive spirit". Representatives of Russia, Kazakhstan, Turkmenistan, Uzbekistan and Kyrgystan were discussing the situation in and around Tajikistan.

The process of peaceful political settlement in Tajikistan should be continued, Kazakhstan's foreign minister said. "In the course of the meeting we expressed our wish to the Tajik delegation for more active work to create Tajikistan's national armed forces. Tajikistan can undoubtedly count on assistance from other states, but Dushanbe itself should make a more considerable contribution to the creation of the republic's army".

According to Toqayev, Russian Minister of Defence Pavel Grachev mixed no words about the issue in today's address.

Kazakhstan welcomed the continuation of the dialogue between the Tajik Government and the opposition, which must develop under any conditions, the minister said. "We agree to holding a meeting of the group of five in Almaty, but the dialogue should progress first of all among the Tajik parties in order to permit peace and stability triumph in the republic," Kazakhstan's minister stressed.

Further on CIS Ministerial Councils

LD2104145095 Moscow ITAR-TASS in English 1422 GMT 21 Apr 95

[By Valeriy Sevryukov and Andrey Urban]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—A meeting of the Commonwealth councils of foreign ministers, defence ministers and commanders of commonwealth border troops, as well as a separate meeting of the Commonwealth Council of Foreign Ministers were held here today to approve all items on their agenda with the exception of the draft CIS convention on human rights and fundamental freedoms, Director of the Russian Foreign Ministry's Department for Affairs of the Commonwealth Leonid Drachevskiy told ITAR-TASS.

The meetings recommended the Commonwealth Council of State Heads to prolong the stay of peacemakers in Abkhazia and Tajikistan and approve the comprehensive plan of settlement on the Tajik-Afghan border. The meeting participants prepared proposals on CIS coordinated efforts to settle the Abkhazian conflict, opened for signing a resolution on concept of an agreement on CIS cooperation with CIS non-members in protection of borders, approved a package of document on activities of the collective security council and elaborated the procedure to award the Zhukov Medal to CIS citizens.

The foreign ministers approved a draft convention on the Commonwealth Interparliamentary Assembly. In the words of Drachevskiy, the Azeri and Moldavian representatives reserved the right to discuss the question with their parliament and basically approved the document. As for the draft CIS convention on human rights and fundamental freedoms, the sides decided to submit it to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Council of Commonwealth State Heads for discussion, bearing in mind the document has been finalized by experts.

The meeting exchanged opinion on Commonwealth interaction in the European direction and agreed on joint elaboration of the U.N. General Assembly's declaration on the occasion of the 50th V-Day.

Four CIS States Urge Tajik Sides To Boost Negotiations

LD2104133095 Moscow ITAR-TASS in English 1313 GMT 21 Apr 95

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—Kazakhstan, Kyrgyzstan, Russia and Uzbekistan have called on parties to the inter-Tajik conflict to boost negotiations under the U.N. aegis, says a statement adopted on results of a meeting of foreign ministers from Kazakhstan, Kyrgyzstan, Russia, Uzbekistan and Tajikistan and received by ITAR-TASS today. The meeting held on Thursday expressed profound concern over the situation on the Tajik- Afghan border.

The meeting participants stressed their readiness to continue active joint measures for protection of the Tajik-Afghan section of the Commonwealth border. They noted that the settlement can be achieved only through a political dialogue and national reconciliation on the basis of mutual concessions and compromises. The foreign ministers called for the soonest holding of the fourth round of inter-Tajik negotiations in Moscow to constructively discuss topical aspects of the political settlement in accordance with the coordinated agenda of negotiations.

CIS Summit Scheduled To Convene in Minsk on 26 May

WS2004141995 Minsk ZVYAZDA in Belarusian 19 Apr 95 p 1

[Report by BELINFORM correspondent Larysa Lazar: "Summit Is Scheduled for May"]

[FBIS Translated Text] The press service of the [CIS] Executive Secretariat makes the following correction: A report about a meeting of the heads of state councils and governments, which appeared in some media, does not correspond to the facts. The Minsk summit, as it was reported at a news conference at the CIS headquarters, has been scheduled for 26 May. The summit will be preceded by sessions of the CIS Council of Foreign Ministers, the CIS Council of Defense Ministers, and the Interstate Economic Committee, which will begin their work on 20-21 April. These session will consider issues for the summit agenda.

An international scientific conference devoted to the 50th anniversary of the victory over fascism was opened in Moscow on 18 April. The conference is attended by representatives of the anti-Nazi coalition countries. CIS Executive Secretary Ivan Karatchenya delivered a report at the conference.

Further on Establishing Single CIS Nuclear Energy Center

WS2104102295 Minsk BELAPAN in English 0800 GMT 21 Apr 95

[FBIS Transcribed Text] On 20 April, at the CIS Headquarters, plenipotentiaries of the CIS member-states completed the consideration of a draft agreement on the establishment of an Interstate Center for the Use of Atomic Energy, Nuclear and Radiation Safety and Mutual Aid in the Liquidation of Consequences of Radioactive Contamination. In the opinion of the authors of the draft, the center is to create favorable conditions for conducting interstate technological policy in the field of atomic energy, the raising of safety standards at enterprises of the atomic industry, the ensuring of permanent readiness of forces designated for the liquidation of radiation accidents, and the assistance in ensuring the safeguarding of the population, and the environmental protection.

As Viktor Gubanov, chairman of the Committee for Safety, Environment, and Emergency Situations at the Russian Federation's Ministry of Atomic Energy, declared in an interview with a BELAPAN correspondent, the coordination of efforts, which was lost after the breakup of the Soviet Union, is extremely important at present time, when the new independent states that possess atomic plants are reconsidering the role of nuclear energy. In his opinion, "in the CIS member-states, the position, according to which the economic future of any civilized country is impossible without the development of nuclear power engineering, is predominant." Mr. Gubanov also pointed out that at first coordination within the CIS framework was regarded only for the question concerning the would- be radiation accidents and rehabilitation of areas suffering from radioactive contamination. However, later it was decided that it was necessary to create a center, which would be empowered to resolve much wider cooperation, in particular, the use of atomic energy, the drafting of normative documents, etc.

ITAR-TASS Carries Press Review for 22 Apr

LD2204065295 Moscow ITAR-TASS in English 0512 GMT 22 Apr 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow April 22 TASS—Today's Russian leading newspapers single out several main topics, including the coming easter, an explosion in American Oklahoma City and the 125th birth of Vladimir Ulyanov (Lenin).

The TRUD newspaper features an exclusive interview with Aleksey II, the patriarch of Moscow and all Russia,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to a group of the newspaper's journalists. The head of the Russian Orthodox Church spells out in detail his views in the interview on present-day issues of society and the church.

Aleksey II expresses regret that the state does not make efficient efforts to prevent "destructive work in the spiritual sphere" of foreign missionaries and sects.

The patriarch says that he sent an open letter to lower house speaker Ivan Rybkin on Friday, describing "the deepening critical situation which has developed in the Russian society due to continued operation of Aum Shinrikyo, the Unification Church of Moon, the Our Lady Centre, the White Fraternity, the Group of Satanists and other totalitarian sects in Russia (about 50 in all).

Describing the terrorist act in American Oklahoma City, the IZVESTIYA, KOMSOMOLSKAYA PRAVDA, KRASNAYA ZVEZDA and other newspapers depict the chronicle of events, progress of investigation and actions by secret services to detain suspects, refraining from their own appraisals and versions.

Writing in its front-page article, IZVESTIYA also raises the issue of the deployment of Russian troops in Tajikistan and protection of the Tajik-Afghan border.

Newspapers today give much space to the 125th birth of Vladimir Lenin. The PRAVDA newspaper carries the polemical article "First prime minister: glance from 1995" where its author Vladlen Loginov argues with General Dmitriy Volkogonov, the author of a two-volume research work "Lenin".

KOMSOMOLSKAYA PRAVDA, SOVETSKAYA ROSSIYA, RABOCHAYA TRIBUNA and other periodicals also publish different in essence articles on Lenin.

Today's newspapers give attention to various topics, including sport, leisure and entertainment. For instance, KOMSOMOLSKAYA PRAVDA carries many interesting articles in the four-page special issue "sport", including materials on soccer, ice hockey and golf.

The same newspaper runs a criminal report called "Mobs control Russian customs service".

The ROSSIYSKIYE VESTI newspaper prints a verbatim report of a constitutional conference of 1993, partially opening the screen over how the method of forming the Federation Council (Russian Parliament upper chamber) was worked out.

In the "fashionable society" section, the newspaper divulges some secrets of "Woman in the black" Irina Khakamada, a legislator, who provokes keen interest among people in the street.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

American Missing in Chechnya; 'May Seriously Affect' Ties

LD2104181495 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 21 Apr 95

[FBIS Translated Text] We have already reported that a U.S. citizen, Fred Cuny, disappeared in Chechnya at the beginning of this month. In the last few hours we received information that gives evidence to the fact that Cuny's disappearance may seriously affect Russian-U.S. relations.

But first let us remind you of Fred Cuny's mission in Russia. Vladimir Varfolomeyev reports.

[Varfolomeyev] The 50-year-old expert on rescue work is regarded as a leading U.S. specialist on humanitarian operations. For some time he was a consultant to President Bill Clinton on problems of northern Iraq, Somalia, and Bosnia. Fred also worked for the International Development Directorate.

He went to Chechnya for the first time in February this year. Then the George Soros international foundation put him in charge of a project on humanitarian aid to refugees fleeing the Russian troops' offensive.

At the end of March, Fred Cuny went to Chechnya again. However, soon afterward contact with him was lost, Aryeh Neier, the president of the [Russian office] of the Soros Foundation, said in Moscow today.

[Begin Neier recording, in English with Russian interpreter] They were seen in [word indistinct]. Then they started moving east. [passage indistinct] Neither yesterday nor today, but some time ago the group was seen. But they did not have freedom of movement. [end recording]

[Varfolomeyev] Together with the American there were two doctors and a Russian interpreter, 36-year-old (Galina Oleynik). Later the doctors' car was found in the village of Bamut where fierce fighting was going on during last week. The fate of the doctors themselves, as well as that of Cuny and the interpreter, is not known.

A humanitarian convoy that Fred Cuny was accompanying, unlike most similar missions, was not agreed with the Ministry for Emergency Situations, Marina Rykhlina, the Ministry for Emergency Situations spokeswoman, told us. Therefore, she said, other departments are involved in the search.

[Begin Rykhlina recording] Naturally, the search is under way. The FSK [Federal Counterintelligence Service, now called Federal Security Service] and the MVD [Interior Ministry] are involved in the search. As for us, we do not have such search facilities. According to our channels, this person never arrived. The first time we heard about him was from official reports. [end recording]

[Announcer] The Americans, however, have not developed a good relationship with the Russian power structures. According to our information, the U.S. State Department has sent official enquiries to the Defense, Interior, and Foreign Ministries. However, the replies were standard: They knew nothing about Cuny's fate.

According to our radio station, the U.S. Embassy has appealed for help not only to the power structures, but also to Dmitriy Ryurikov, presidential aide for international affairs, and to the commission under the president investigating cases of citizens who disappeared without trace. We were told there that they will make their own enquiries.

The situation deteriorated further when, at the beginning of this week, Bill Clinton took the case of the missing specialist under his personal control. In the past he used Cuny's advice.

According to unofficial information, if there is no progress in the search for Fred Cuny by 8 May, Washington will make a sharp-worded statement regarding Russia. Our sources do not rule out that Bill Clinton may even cancel his visit to Russia at the last minute.

Vladimir Lukin, chairman of the State Duma Committee for International Affairs, also does not rule out such a turn in the development of the events.

[Begin Lukin recording] The Americans treat very seriously cases of their fellow countrymen missing abroad, even if it concerns only one person. Incidentally, this is a lesson for us. In principle, I do not rule out such a development, although, if this happens, it will happen not only because of this, but for many other reasons as well.

[Announcer] In the last few hours there was certain progress in Fred Cuny's case. It has become known to our radio station that the U.S. representatives have received permission from the Russian authorities to visit the conflict zone to organize the search. Michael [surname indistinct], first secretary of the U.S. Embassy to Moscow, leaves for Nalchik on 23 April.

Russian, U.S. Nuclear Exports 'Technically Equal'

LD2204154795 Moscow ITAR-TASS in English 1529 GMT 22 Apr 95

[By Igor Schegolev]

[FBIS Transcribed Text] Paris, April 22 (ITAR-TASS)—The plans for delivery of Russian equipment for Iranian nuclear power plants and U.S.-type nuclear reactor to North Korea are technically equal, General Director of the Russian scientific-research institute for operation of nuclear power plants Armen Abagyan told ITAR-TASS here today. The problem is to control the use of worked-out nuclear fuel, he added.

"If reliable control is ensured, there is no threat of nuclear bomb production," noted Abagyan. He called

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

attention to the fact that no one doubts the U.S. plans to pass over modern nuclear reactors to North Korea and these reactors are analogous to the Russian water-condensed reactors planned for delivery to Iran. "There is no technical difference between the projects, but I cannot give political estimations," said the Russian expert.

In his turn, representative of the administrative council of the World Association of Nuclear Operators Remy Carle described as courageous and careless the Russian decision to supply nuclear equipment to Iran.

He is also skeptical about the intention of the United States and South Korea to give North Korea advanced nuclear reactors. It is not quite clear how such a gift can be made to a state which has people working on a military nuclear program, he said.

An annual general conference of the World Association of Nuclear Operators opens in Monday in Paris.

Kozyrev Discusses Bosnia, Chechnya, NATO With Denmark's Petersen

LD2304140395 Moscow ITAR-TASS in English 1354 GMT 23 Apr 95

[By Taras Lariokhin and Viktor Khrekov]

[FBIS Transcribed Text] Copenhagen, April 23 (ITAR-TASS)—Russian Foreign Minister Andrey Kozyrev met his Danish counterpart Niels Helveg Petersen on Sunday to discuss a wide range of bilateral and international issues.

In particular, the two ministers discussed reforms in Russia, NATO's expansion, the Bosnian conflict, the Chechen crisis and other topical issues.

Kozyrev is in Denmark on a working visit.

Speaking at a joint press conference after the talks, Kozyrev and Petersen said that although the positions of the two countries do not always coincide, such consultations are very useful.

Speaking of NATO's expansion plans, Kozyrev pointed out that Russia is against its enlargement. He stressed that NATO should instead pay more attention to the Partnership for Peace Program which provides all opportunities for broader cooperation, including in the military sphere.

On the Bosnian conflict, Kozyrev said that the Contact Group's foreign ministers will hold a meeting next week to discuss this problem.

The Russian foreign minister laid a wreath at the monument to the members of the Danish resistance movement and the monument to Soviet soldiers who perished in World War II.

Outlines Foreign Policy in Copenhagen Speech

LD2304163395 Moscow ITAR-TASS World Service in Russian 1458 GMT 23 Apr 95

[By ITAR-TASS special correspondents Taras Lariokhin and Viktor Khrekov]

[FBIS Translated Text] Copenhagen, 23 Apr—The basic conceptual problem of the partnership is how to construct an international strategy that neither opposes Russia, as was the case during the "Cold War," nor excludes Russia, as has now been the intention at times, but is in conjunction with Russia. Russian Foreign Minister Andrey Kozyrev said this today in his address to the session of the Trilateral Commission—an international nongovernment organization that brings together more than 300 politicians, economists, bankers, and industrialists from North America, Western Europe, and Japan.

One successful solution to this problem, the Russian minister said, has been the transformation of the G-7, which had the Trilateral Commission at its source, into a G-8, beginning in the political sphere. In view of the meeting ahead of us in Halifax, we are approaching the next stage—the fuller involvement of Russia in the discussion of global economic problems. Unfortunately, this progress is not clear in every area. Now and again we find ourselves up against a double standard: Our Western partners call upon us to make concessions on various international issues out of consideration for the views of the parliament or the public of this or that country, yet when a similar problem emerges for Russian reformers, more often than not they are ignored, Andrey Kozyrev stressed.

The Russian foreign minister went on to call upon the audience to develop a strategy to aid Russian reforms. There is here, he said, a clash between promised opportunities and actual opportunities. There has been considerably more talk of aid than actual aid itself. As a result damage has been done to not so much the reforms themselves, as the standing of those forces in Russia that regard the Western democracies as being of the same views as themselves and that are resisting the pressure of ultranationalist, imperialist forces.

Expanding on the issue of defending human rights and ethnic minorities, Kozyrev stressed that Russia favors creating effective systems of international law to solve such problems at UN and OSCE [Organization for Security and Cooperation in Europe] level. However, in situations where the lives of Russian citizens are under threat, we may employ the full arsenal of means at our disposal, including military force, to save them, he said. This is an irreproachable position from the viewpoint of international law and other states' practice.

The Russian foreign minister went on to raise the need for developing a philosophy of international security for a new era. The acuity of this is felt particularly on the European continent. He described the issue of expanding

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

NATO as an attempt to use old molds to solve the problems of post-confrontation Europe. The best way out of this situation will be a more or less lengthy period of partnership between Russia and NATO. The mutual estrangement will be overcome definitively during this period and, what is most important, we can determine together how Europe's new security system will look and what place the Alliance will occupy within it. It cannot be ruled out that Russia herself might join NATO at the end of this period.

Kozyrev concluded by calling for efforts to create a new model for comprehensive security for Europe in the 21st century to be stepped up.

Leaves Denmark for U.S.

LD2304160295 Moscow ITAR-TASS World Service in Russian 1515 GMT 23 Apr 95

[By ITAR-TASS special correspondents Taras Lariokhin and Viktor Khrekov]

[FBIS Translated Excerpt] Copenhagen, 23 Apr—Today Russian Foreign Minister Andrey Kozyrev concluded his working visit to Denmark and left for New York to take part in a conference of the Nuclear Non-Proliferation Treaty member-states. [passage omitted]

Arrives in New York for NPT Conference

LD2304234495 Moscow ITAR-TASS World Service in Russian 2232 GMT 23 Apr 95

[By ITAR-TASS special correspondents Aleksey Berezhkov and Viktor Khrekov]

[FBIS Translated Text] New York, 24 Apr—Russian Foreign Minister Andrey Kozyrev arrived in New York on 23 April to participate in the work of the conference of member countries of the Nuclear Nonproliferation Treaty [NPT].

The head of Russian foreign affairs flew to New York from Denmark. In the course of a working visit, he had met in Copenhagen Danish foreign minister Niels Helveg Petersen and made a report at a session of the Tripartite Commission, an international nongovernmental organization that involves over 300 politicians, economists, bankers, and industrialists from North America, Western Europe, and Japan.

During his stay in Denmark, Kozyrev laid wreathes at the monument to the members of the Danish resistance movement at the Mindelund [name as transliterated] Cemetery and at the monument at Bispebjerg Cemetery to Soviet soldiers killed in Danish territory.

Kozyrev: Work Needed on Issues in 'Near Abroad'

LD2304145495

[FBIS Editorial Report] Moscow Radio Rossii Network in Russian at 1000 GMT on 23 April broadcasts the 20-minute "Neighbors" program, which is about Russia's relations with CIS countries.

The announcer says: Now Foreign Minister Andrey Kozyrev on the problem of Russian ethnic minorities and non-citizens.

Kozyrev says: "This subject is too sensitive, too painful, and too human. I would like—although I realize that this is not very realistic—I would like us to remember from the very start that this theme should be better avoided and saved.

Unfortunately there have been attempts in society to exploit it for a long time. There are calls to fight for the rights of fellow compatriots by dictat and threats to our neighbors, and even by redrawing borders. Thus, history lessons are being ignored and, as slightly more than 50 years ago, there are attempts to declare one people to be a chosen one, any people singled out by God, although essentially it is being chosen only to be sacrificed on the alter of political ambitions."

Kozyrev continues: "Real concern for Russian citizens, irrespective of whether they are ethnic Russians or people of different nationalities, has nothing to do with either hysteria at parliament microphones or with insulting flags of foreign, moreover fraternal states. Day-to-day work is needed on concrete issues facing us in the so-called 'near abroad.'"

Deputy Defense Minister Backs Kozyrev Warning on Ethnic Russians

LD2104162895 Moscow ITAR-TASS in English 1525 GMT 21 Apr 95

[By Oleg Artyushin]

[FBIS Transcribed Text] Bryansk, Russia, April 21 (ITAR-TASS)—A deputy of the Russian defence minister backed on Friday a warning that Russia might use force to defend compatriots abroad, voiced recently by Foreign Minister Andrey Kozyrev.

Col. Gen. Vladimir Churanov told TASS that he did not rule out the use of force to protect interests of ethnic Russian in former soviet republics.

According to the general, ethnic Russians are "subject to humiliation in some countires, while diplomatic measures are not always convincing enough".

The deputy defence minister said that "the armed forces might be put into action if such problems reach a certain level".

Black Sea Fleet Officer Accuses Ukrainian Militia of Persecution

LD2404101195 Moscow ITAR-TASS World Service in Russian 0917 GMT 24 Apr 95

[By ITAR-TASS correspondent Roman Zadunayskiy]

[FBIS Translated Text] Moscow, 24 Apr—"There are more and more instances of the Sevastopol militia persecuting and discriminating against Black Sea Fleet [BSF] sailors, and first of all, against the command of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Black Sea Fleet," Vice Admiral Petr Svyatashev, chief of staff of the Black Sea Fleet, said in a letter sent today to Konstantin Zatulin, chairman of Russia's State Duma Black Sea Fleet commission, and Yuriy Dubinin, Russian deputy foreign minister. The vice admiral notes in the letter that "the command's means of transport is under constant surveillance, and this has become normal practice in the work of the Sevastopol internal affairs directorate, which is directly subordinate to Kiev." The fleet staff told the ITAR-TASS correspondent this today.

Svyatashev proposed that Zatulin and Dubinin should "at the next round of Russian-Ukrainian talks give a legal assessment of the discriminatory actions by the Ukrainian militia against the Black Sea Fleet command and against the Black Sea Fleet sailors."

Energy Ministry 'Confirms' Smuggled Plutonium Not Russian

LD2104195695 Berlin DDP/ADN in German 1856 GMT 21 Apr 95

[FBIS Translated Text] Berlin (DDP/ADN)—The Russian Energy Ministry has confirmed that the plutonium seized in August last year in Munich was not of Russian origin. Atomic Energy Minister Viktor Mikhaylov said today on the private N-TV station that it is absolutely certain that the plutonium "comes from German or Japanese production." He said Russia has known this since the end of last year, but did not take any steps against either Germany or Japan. Mikhaylov said: "The confirmation given by Mr. Blix, secretary general of the International Atomic Energy Agency, that there is no way the material can come from Russia, was enough for us."

The minister criticized the fact that the German Government had not made contact with his authority since DER SPIEGEL reported on the affair. He now expects comprehensive clarification of the matter. "To carry out operations of this kind, to accuse Russia at the highest level, to the effect that the material comes from Russia—no government, no state is allowed to do that," Mikhaylov stressed.

Representative to UN Criticizes Resolution on Yugoslavia

LD2204155695 Moscow ITAR-TASS in English 1527 GMT 22 Apr 95

[By Boris Sitnikov]

[FBIS Transcribed Text] United Nations, April 22 (ITAR-TASS)—Russia has sharply criticized a resolution on toughened approaches to sanctions against Yugoslavia adopted by the United Nations Security Council under the U.S. pressure.

Russian Permanent Representative to the United Nations Sergey Lavrov described the resolution as an attempt to introduce double standards in the work of the Security Council. The resolution adopted on Friday night cuts the term of partial sanction suspension from 100 to 75 days and conditions its prolongation on additional requirements to Belgrade.

"Russia cannot support this resolution. We think that it does not go together with the stand for encouragement of every supporter of the peace plan and pressure of every side rejecting the plan. This stand has been coordinated at the Contact Group and the Security Council," Lavrov told the Security Council. In his words the Yugoslav-Bosnian border has been properly closed for nine months, and the Yugoslav government has proved to be a serious partner in the search for peace in Bosnia.

Against this background the Security Council had all grounds for additional encouragement of Yugoslavia and discussion of additional sanctions easing. "At minimum it should have made the partial suspension of sanctions open-ended, as it was repeatedly suggested by the Russian Federation. Unfortunately, all of our proposals fall on deaf ear. The Security Council produces more and more requirements to Yugoslavia every time the partial suspension of sanctions is discussed," said Lavrov.

He called attention to the fact that the new resolution "carries plenty of alarming novelties. This is done despite the opinion of co-chairmen of the international conference for former Yugoslavia whose conclusions are called into question without any convincing grounds. We confirm our firm support to the activities of the co-chairmen and the mission of the international conference for former Yugoslavia and reject attempts to cast a shadow on them."

In the words of Lavrov the resolution makes an attempt to link the Yugoslav voluntary decision to close the border with Bosnia and Herzegovina and the situation on the Yugoslav-Croat border. "It is a serious step towards changing the mandate of the international conference for former Yugoslavia taken without consultations with Belgrade. It is unclear why curtail the validity of the resolution to 75 days if a mechanism to ensure immediate and full restoration of sanctions if the Yugoslav government decides to open the border was coordinated in September and is still in effect [sentence as received].

"There are plenty of other provisions that provoke bewilderment, to put it mildly. For instance, the resolution suggests tough limits on fuel in tanks of Yugoslav and foreign plans [as received]. The fulfilment of this requirement may create serious and unjustified difficulties for authorized flights, not to mention it is strange that the Security Council - the chief U.N. body responsible for international peace and security - is striving to coordinate technical details, including the fuel level in plane tanks. The resolution de-jure introduces additional limits on delivery of aviation fuel to Belgrade although resolution 943 suspended the limits on goods and services necessary for international air communication with Belgrade," said Lavrov.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He called attention to the appeal to the Yugoslav government to stop telecommunication relations with Bosnian Serbs. "Meanwhile, Resolution 942 on trade and economic embargo against Bosnian Serbs clearly excluded telecommunications from the sphere of sanctions. It is hard for us to understand such a logic," stressed the Russian diplomat.

"All of these measures not only run counter to conclusions of the co-chairmen of the international conference for former Yugoslavia but also prove another attempt to introduce double standards in the work of the council. The latter involves in unjustified micro- management and closes its eyes to gross violations of its resolutions, as this is done with embargo on arms deliveries to the republics of former Yugoslavia," said Lavrov.

He expressed the hope that the Security Council will "be able to show more responsible political approach and be guided by comprehensive, lasting and just settlement in former Yugoslavia."

Energy Minister Shafranik in Baghdad for Cooperation Talks

LD2404080895 Moscow ITAR-TASS in English 0739 GMT 24 Apr 95

[FBIS Transcribed Text] Cairo, April 23 (ITAR-TASS)—Russia's Fuel and Energy Minister Yuriy Shafranik today is in Baghdad for talks on bilateral cooperation.

The minister arrived in the Iraqi capital on Sunday together with Deputy Minister of Foreign Affairs of the Russian Federation Viktor Posuvalyuk.

The Russian delegation also includes experts and is acting in pursuance of the memorandum of intent signed in September 1994. The memorandum provides for the resumption of the full-scale trade and economic cooperation between Iraq and Russia following the lifting of the sanctions against Baghdad imposed by the international community a few years ago.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Chernomyrdin Presents 'Major' Peace Initiative

LD2104163095 Moscow ITAR-TASS in English 1533 GMT 21 Apr 95

[By Tamara Zamyatina]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—The appeal of Russian Prime Minister Viktor Chernomyrdin to the Chechen people is a major peace-making initiative.

The premier reaffirmed the readiness of the federal government to "start negotiations with commanders of the armed units opposing the federal troops in Chechnya in order to achieve an agreement on unconditional bilateral termination of combat operations." What is more, the premier guaranteed amnesty to members of Chechen volunteer units.

According to ITAR-TASS reports from Groznyy, the army and interior units have not held active combat operations in Chechnya since April 20, and this may be the prologue of terminated offensive operations and truce in the Chechen Republic.

One may suppose that the guarantee of amnesty given to Chechen volunteers and the peace-making initiative of Viktor Chernomyrdin are related to preparations for the 50th V-day, a national holiday in the face of which the guns must lapse into silence.

The readiness of the federal authorities to hold negotiations with field commanders "without preliminary conditions" makes one hope that the initiative of Viktor Chernomyrdin is not a political maneuver but an evidence of the government's determination to stop the bloodshed in Chechnya.

The huge resonance caused by the ITAR-TASS report of April 20 saying that combat operations in Chechnya must be stopped from April 20 proves that Russia and the whole international community are longing for peace in the Caucasus. If the peace-making appeal of the Russian prime minister is not accepted, the armed volunteers will be doomed to public condemnation.

'Peace and Accord Charter' Signed

LD2204154995 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 22 Apr 95

[FBIS Translated Text] The conference on reaching national accord in Chechnya ended in Groznyy today. Its main result was the signing of a peace and accord charter. It was not only representatives of the pro-Russian republican government that signed it, but some of the field commanders of Dudayev's forces as well, reports INTERFAX. It is stressed that the charter is open for signing by all political forces. It contains an appeal to stop immediately all combat actions in Chechen territory.

Chernomyrdin Message Issued

LD2304124395 Moscow INTERFAX in English 1153 GMT 23 Apr 95

[FBIS Transcribed Text] Moscow, April 22 (INTERFAX)—On Friday in Groznyy, a peace conference devoted to the search for ways in order to politically settle the inter-Chechen armed conflict was concluded with signing of the Charter of Peace and Accord, the territorial department of federal executive power bodies in Chechnya reported to INTERFAX Saturday.

Leaders of the Chechen Republic Umar Avturkhanov, Salambek Khadzhiyev, Chechnya's mufti Magomed Arsanukayev, head of the territorial department of federal power bodies in Chechnya Nikolay Semenov, deputy commander of the group of the federal forces in Chechnya General Babak, representatives of the republic's all regions and cities attended the forum.

Representatives of "the field commanders" of Dudayev's forces also participated in the conference which was organized on the initiative of the Committee of National Accord of the Chechen Republic.

On Friday Russian Prime Minister Viktor Chernomyrdin addressed participants of the conference with a message. He declared that the Russian Government guarantees amnesty to members of illegal armed formations who are not guilty of committing grave crimes. The Russian Government is ready for negotiations with field commanders in order to stop hostilities "without any preliminary conditions," Chernomyrdin underlined in his message.

As many as 528 participants of the forum called to urgently stop all military operations on Chechnya's territory. They intend to address the Russian president and the Federation Assembly with a request to issue an act on amnesty with respect to people who participated in lawless deeds related to this armed conflict.

Participants of this conference believe that after an appropriate mechanism is developed it will be necessary to start disbanding illegal armed formations, and to organize surrender and storage of arms and military equipment belonging to them. The delegates expressed intention to take part in preparation and organization of nation-wide democratic elections to Chechnya's representative power bodies and in the work of the national accord committees which are being created in the republic's every region, city and populated center.

The Charter of Peace and Accord in Chechnya is open for signing to all political forces of the republic.

Russia's Federal Migration Service has built the first 32 houses for citizens who have lost their homes as a result of the armed conflict in Chechnya, representatives of the territorial department of the federal executive power bodies in Chechnya reported to INTERFAX.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

On April 22 a column of trucks, 10 in number, with humanitarian cargo, construction materials for the city residents, came to Groznyy from the Voronezh region. After the cargo is handed over to the population the Voronezh residents will render assistance of the Groznyy city authorities in cleansing the city from construction sweepings using their transport vehicles.

Rights Commission Briefs Press on Chechnya

LD2204110395 Moscow Russian Television Network in Russian 1000 GMT 22 Apr 95

[Video report by D. Maslennikov in Moscow, with recorded remarks by Sergey Kovalev, State Duma deputy and human rights commissioner, at news conference; from the "Vesti" newscast]

[FBIS Translated Text] [Maslennikov] State Duma Deputy Sergey Kovalev has told correspondents of his impressions following his latest trip to the zone of the Chechen conflict. In his opinion, hostilities in Chechnya have lately acquired the form of guerrilla warfare. Kovalev said that to suppress the military actions of the militants...

[Kovalev] ...The barbaric method of punitive operations was used. It was exactly this that we saw in Samashki.

[Maslennikov] Also, the State Duma deputy circulated a letter among those present addressed to Ivan Rybkin, in which he asks the deputies to strip him of his parliamentary immunity so that he may appear in court following accusations of slander. According to Kovalev, an open court hearing will help to establish the truth about the events in Chechnya. [Video shows Kovalev addressing news conference]

Shokhin, Gerashchenko Dismissed From IMF, MIGA

LD2204105895 Moscow ITAR-TASS World Service in Russian 1033 GMT 22 Apr 95

[FBIS Translated Text] Moscow, 22 Apr—Boris Yeltsin today appointed First Deputy Prime Minister Anatoliy Chubays as administrator [upravlyayushchiy] on behalf of Russia at the IMF, the International Bank for Reconstruction and Development [IBRD], and the Multilateral Investment Guarantee Agency [MIGA].

Economics Minister Yevgeniy Yasin has been appointed deputy administrator on behalf of the Russian Federation at the IBRD and MIGA, and Finance Minister Vladimir Panskov has been appointed to the corresponding post at the IMF.

Aleksandr Shokhin and Viktor Gerashchenko, who occupied those positions, have been dismissed.

Gerashchenko has also been dismissed from his post as administrator on behalf of the Russian Federation at the European Bank for Reconstruction and Development. This was announced by the head of state's press service. It will be recalled that Shokhin used to hold the position of deputy prime minister, while Gerashchenko was head of Russia's Central Bank.

Sports Minister Interviewed on Yeltsin's Fitness

MM1804111995 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Apr 95 p 1

[Report by correspondent Gennadiy Bochkarev: "Woe Betide Anyone on the Receiving End of B.N.'s Forehand"—final two paragraphs are KOMSOMOLSKAYA PRAVDA comment]

[FBIS Translated Text] Sochi—Shamil Tarpishchev was for many years a trainer for the USSR and Russian tennis team. Recently he has been the Russian minister for sport and tourism and the Russian president's unvarying partner on the tennis court. It is this man who is as it were responsible for the physical training of the head of the state and helps Yeltsin keep in shape. He joins the president in the sauna and bathes with him in the icy sea. And when B.N. is on vacation Shamil Tarpishchev spends almost every daylight hour with the president. In Sochi they met every day on the tennis court....

[Bochkarev] Shamil Anvarovich, were you, as always, the president's tennis partner?

[Tarpishchev] Yes, we did not miss a day on vacation. We played against Korzhakov and Ilyushin. Usually the match went to five sets but the load varies in terms of time—from 30 minutes to two and one half hours. It all depends on how our game goes.

[Bochkarev] You lost?

[Tarpishchev] Not a whole match, not once. But we have lost a couple of sets sometimes. But we won mainly with our service. I hold my service and the president has a strong service.

[Bochkarev] As a professional trainer, what qualities of Yeltsin's game would you note?

[Tarpishchev] He knows how to get going at the right moment. When we are losing and we cannot make any mistakes Yeltsin does not make any mistakes. he concentrates his will so much that he seems to be totally lacking in nerves. The president responds very well to the game situation and has quite a good volley.

[Bochkarev] But he obviously also has weak points?

[Tarpishchev] The president has a poor backhand but that is because of an old injury.

[Bochkarev] But nothing can beat his forehand?

[Tarpishchev] It is normal.

[Bochkarev] They say that apart from playing tennis the president went swimming—has he opened the bathing season?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Tarpishchev] We bathed in the sea for the first time 8 April. The water temperature was eight degrees. We plunged in and came out immediately! But the president swam a further 20 meters or so....

[Bochkarev] Alone?

[Tarpishchev] Korzhakov swam with him out of professional duty. Incidentally when we go to the sauna after playing the temperature of the water in the pool is also nine degrees. Yeltsin likes to bathe in cold water.

[Bochkarev] You did not go hunting this time?

[Tarpishchev] Not in Sochi. But in general the president likes to hunt for wild boar and duck.

[Bochkarev] And how does he shoot?

[Tarpishchev] Like a professional.

[Bochkarev] But how do you explain the fact that painful rumors are constantly arising over Yeltsin's health?

[Tarpishchev] The president is a normal man. If you were constantly followed by a movie camera would you look perfect all the time?

[Bochkarev] Hardly.

[Tarpishchev] You have provided the answer yourself. Yes, he sometimes has backache and then we go easy on court.

[Bochkarev] What kind of tennis racquet does Yeltsin use?

[Tarpishchev] A Wilson. A tightly strung light to medium weight.

From the editorial office:

The official optimism regarding the president's health is hardly shared by those who saw Boris Nikolayevich in Ryazan. Even from the screen one could see that B.N. was not in the best shape for tennis.

Or are we wrong? But in that case perhaps it would be no bad thing to publish regular official medical bulletins on Yeltsin's state of health. For instance, in France such information about his counterpart Mitterrand is published constantly. After all, the citizen and voter has the right to know more than the strength of the president's backhand....

Yeltsin Signs Laws Adopted by State Duma

LD2004103995 Moscow ITAR-TASS in English 1020 GMT 20 Apr 95

[FBIS Transcribed Text] Moscow April 20 (ITAR-TASS)—President Yeltsin signed today the law "on raising minimal wages", adopted by the State Duma on April 12. It sets the minimal wages on the level of 34,400 roubles after April 1, 1995, and 43,700 roubles—after May 1.

Yeltsin signed as well the law "on the growth of minimal wages, the indexation procedure and the recalculation of state pensions in the Russian Federation", adopted by the Duma on April 12. It raises minimal pensions by 1.27 times after May 1 and brings them to 43,739 roubles. Other pensions will be increased accordingly.

The president signed one more law—"on the state protection of judges and officials of law enforcement and controlling agencies," adopted by the Duma on March 22, this year.

Yeltsin Takes Part in Easter Ceremony

LD2404114695 Moscow Russian Television Network in Russian 1000 GMT 24 Apr 95

[Report over video by correspondent D.Pugacheva; from the "Vesti" newscast]

[FBIS Translated Text] On the second day marking the resurrection of our lord, a solemn liturgy was given by Patriarch of Moscow and All-Russia Aleksey II in the Cathedral of the Assumption in the Kremlin. The procession, which moved to the sound of the Kremlin bells, ended in a morning service.

The patriarch congratulated the congregation along with the president and his wife. He wished Boris Yeltsin strength and courage in his senior state post and presented a gift of an Easter egg, the symbol of life. Boris Yeltsin greeted the congregation with the words: Christ resurrected. He said that after being consigned to oblivion and desecration over a long period, the Russian Orthodox Church is now marking Easter more and more throughout all Russian towns and villages. There has been some change, though not enormous, and it all stems from our joint efforts, the president said.

The sun shone high over the Kremlin cupolas and lit up part of the trapezium. In former times, tables were set here for the senior party bosses, ambassadors were received, and banquets were held in honor of friendship between peoples. [video shows Kremlin church complex] Now, the white chamber has been given to the holy patriarch, for his office, reception, and trapezium to which guests will be invited during religious celebrations. [video shows Yeltsin and wife on steps of the cathedral and the presentation of the Easter egg]

Security Service Official on 1994 Spy Activity

LD2304212695 Moscow Russian Television Network in Russian 1900 GMT 23 Apr 95

[FBIS Translated Text] As part of a program to meet with the public, Russian counterintelligence has been telling people in the town of Perm (in the Urals) about the level of spying activity this year. Here is Vadim Fefilov with the details.

[Fefilov] Malchish Kibalchish [brave boy hero in Soviet literature] did not give our big military secret away to the bourgeoisie. But, according to a statement made by

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Aleksandr Mikhaylov, the head of the public relations center at Russia's Federal Security Service, some of our state secrets are now in the hands of bad little boys who are rather out for profit.

For example, an executive in the country's defense sector is soon to appear in court charged with trading regularly over one year in military secrets. The experts say these secrets are worth several trillion rubles in real terms; they were sold for $12,000. But though Western special services buy our people quite cheaply, more and more people are interested in having a go at these very unrewarding and dangerous games.

[Begin Mikhaylov recording] 1994 produced a record harvest in my view. The Federal Counterintelligence Service (now the Federal Security Service) either preempted or halted spying by twenty-two agents of foreign special services. Over 60 attempts to get hold of top secret information have been uncovered over the past year and there have been 46 attempts—despite international obligations—to get access to information that does not come under international control. [end recording]

[Fefilov] Russian intelligence experts say Western special services are interested first and foremost in our arms sale agreements with other countries and in the latest Russian submarine technology and small arms and rocket and missile armament technology.

Government Approves Licensing Rules for Secrets

MK2004123095 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 20 Apr 95 p 1

[Unattributed report under the "Hold the Front Page!" rubric: "Intelligence and State Security Services Will Go Into Licensing"]

[FBIS Translated Text] Rules of licensing the activity of institutions and organizations having access to state secrets were approved for the first time by a Russian Federation Government decree the other day.

The issue of licenses will be handled exclusively by special services. The Federal Security Service will be in charge, on the territory of Russia, of giving permission for access to state secrets; in charge of it outside Russia will be the Foreign Intelligence Service. Yet another service—the Federal Government Communications and Information Agency—together with the State Technical Commission under the president, will start licensing enterprises which produce ciphering devices or create computer information protection programs. With this end in view, to be organized in all special services is a special interdepartmental commission for the protection of state secrets. The commission shall be supported exclusively by enterprises wishing to have access to state secrets.

Having issued a license, the interdepartmental commission has the right to make spot checks at enterprises on compliance with secrecy requirements, counteraction to foreign technical intelligence services, and guarding against information leaks through computer channels and telephone lines. The cost of these checks shall be paid out of the enterprises' pockets.

Yeltsin Urged To Enter Election Campaign

LD2004125195 Moscow ITAR-TASS in English 1222 GMT 20 Apr 95

[By Tamara Zamyatina]

[FBIS Transcribed Text] Moscow April 20 (ITAR-TASS)—In the months ahead Boris Yeltsin can hardly be expected to announce his intension to run for another term of presidency, Sergey Filatov, head of the presidential administration, told ITAR-TASS.

At the same time politicians close to the Russian president believe that during meetings on May 9-11 in Moscow with President of the United States Bill Clinton and with leaders of European states, Boris Yeltsin may intimate to the foreign guests his intension to run for the presidency again, so that foreign politicians, seeking to establish contacts with potential candidates to the presidency, should not weeken their ties with the present Russian leadership.

Some Kremlin analysts, explaining Yeltsin's unwillingness to announce his participation in the 1996 presidential elections in Russia, point to the present unfavourable foreign and domestic political situation, which is a negative breakground for the beginning of the election campaign. However, ITAR-TASS has information that Sergey Filatov and presidential aides are striving to encourage Yeltsin to join in the election struggle. Filatov told ITAR-TASS earlier that the presidential administration he heads proceeds in its activity from the expectation that Yeltsin will run for the second term.

It is believed in the Kremlin that the preparation and holding of elections to the State Duma in December 1995 will be the most important domestic event in the months ahead. The results of the elections to the State Duma will predetermine the alignment of forces at the presidential election in June 1996. Therefore every effort must now be concentrated in this direction. This is how the importance of the elections to the State Duma is assessed by Sergey Filatov and chief of the analytical centre of the presidential administration Mark Urnov.

Shakhray Not To Compete in 1996 Elections

LD1804194495 Moscow INTERFAX in English 1647 GMT 18 Apr 95

[FBIS Transcribed Text] NOVOSIBIRSK, April 18 (INTERFAX-Eurasia)—Russian Deputy Prime Minister Sergey Shakhray, leader of the Russian Unity and Concord Party (PRES), will not run for presidency in the 1996 elections.

He said so at a meeting with Novosibirsk party activists Tuesday.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

During his one-day visit to the city Shakhray attended the opening of a conference on stabilization of the economic situation in Siberia.

He explained to his supporters that the party did not have enough funds. Shakhray said that the outcome of the elections will be decided by foreign capital. According to Shakhray, it was estimated six months ago that a presidential candidate needs at least $300 million for his campaign but the PRES does not have that amount.

He added that the party has little access to the media.

Shakhray believes, however, that the PRES stands a good chance of success in the next December parliamentary elections.

Yavlinskiy Confirms Entry in Presidential Race

LD1904154095 Moscow INTERFAX in English 1320 GMT 19 Apr 95

[FBIS Transcribed Text] MOSCOW, April 19 (Interfax)—Leader of the Yabloko public association Grigoriy Yavlinskiy confirmed his intention to run for Russian president in June 1996 in an exclusive Interfax interview when he visited INTERFAX's central office in Moscow Tuesday [18 April].

Speaking of the upcoming parliament elections, Yavlinskiy said that Yabloko is "developing a system of coordinated efforts with other democratic associations that will help the nomination of their candidates for Duma deputies in various electoral districts. This will be done in order not to split the votes of the single electorate."

In the words of Yavlinskiy, this was not done by the democrats at the previous parliament elections in December 1993 because of "the lack of time."

The Yabloko faction stands for equal division of deputy mandates between candidates nominated in majority electoral districts and candidates running for Duma deputies on federal lists of parties and associations.

Yavlinskiy believes that "a serious strategic mistake is made by democratic associations who are joining the parliament elections without outlining their intentions and conditions of involvement in the future presidential elections."

The conditions mean a declaration "of principles of participation in presidential elections of democratic associations whose leaders are not planning to run for president."

Filatov Calls For Unity Among Democrats

LD1804210395 Moscow INTERFAX in English 1604 GMT 18 Apr 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Kremlin Chief of Staff Sergey Filatov on Tuesday said the country's legislation on presidential and general elections and the formation of the Federation Council (upper house) are expected to be approved in May. He was speaking at the meeting of regional government representatives, heads of the regional election commissions and ministry and department officials.

Filatov said the State Duma (lower house) and the Federation Council [FC] which rejected the Duma-approved law on general elections and the presidential poll a few days ago would strike a compromise on part of their differences. But the Duma needs a two thirds majority to overcome the FC veto on others.

Filatov said that in spite of the dispute, the process of updating the FC must continue in line with the election of representative bodies and regional administrators.

He said Yeltsin would continue to appoint regional administrators because of the need for achieving internal stability and the lack of a legislative basis for their election. Filatov said the appropriate law would be adopted following approval of regional charters.

The Kremlin Chief of Staff in an interview with Interfax said that most regional administrators believe all deputies should run in single mandate constituencies.

He called for the formation of several large parties whose platforms and vision could help rally Russian citizens. But the existence of a multitude of small associations with minor following on the ground leads to social divides which evokes little optimism, according to Filatov.

In this connection, he believes the leaders of pro-democracy groups and movements must try to forge a common platform to be able to sway the electorate. He warned against disarray in democratic ranks in order to qualify for parliamentary seats.

At the same time, Filatov thinks that elections should be held both on party tickets and the first-past-the poll principle. "If we abandon the party lists, this will hamper the formation of large new parties in the regions", he said.

Filatov warned against focusing only on the principle of single- mandate constituencies which, as shown by the previous election, can be tipped in favor of government representatives and candidates fielded by criminal rings.

He again denied widespread speculations about the possibility of general elections being postponed and blamed the rumors on opposition hardliners who were trying to play on the country's hardships.

Filatov said reform supporters would not be defeated in the December poll in spite of disarray in the democratic camp which he blames on political ambitions by democratic leaders.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He said the present government had led the country out of totalitarian rule and helped avert a civil war. Filatov is confident that the electorate will not be swayed by one-off considerations but will weigh the options facing it.

Democrats Seek Alliance To Oppose LDPR, Communists

LD2004124595 Moscow ITAR-TASS in English 1212 GMT 20 Apr 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow, April 20 (ITAR-TASS)—Former Finance Minister Boris Fyodorov, who is now heading the public and political movement "Russia, Forward" told a press conference in the State Duma today that his movement would seek alliance with other Duma factions, including Russia's Choice, Yabloko and PRES, in order to form a united front in opposition to Zhirinovskiyites and communist candidates in the forthcoming elections to the lower house of the Russian federal legislature.

Fyodorov, who is eyeing Russian presidency as a chance for himself in the next year's presidential elections, called on the democratic forces to tackle all organizational issues of preparations for the parliamentary elections in due time—the sooner, the better.

With this in view, Fyodorov said his movement was prepared to hold consultations at a joint conference with Russia's Choice, Yabloko and PRES as early as in May.

Touching on the situation in Crimea, Boris Fyodorov stressed that the movement he headed was "opposed to any separatism, anywhere and whatever the form".

He then went on to say that one of the movement's long-term aims was to work towards voluntary reunification of the former soviet republics through referenda and on the basis of actual progress of their political and economic integration.

The movement "Russia, Forward" was founded on February 18 at a conference in Moscow. Conference participants, who represented 74 regions of the Russian Federation, declared at the time that they would begin without delay active preparations for the forthcoming parliamentary and presidential elections, as well for elections to local governments. The conference unanimously elected Boris Fyodorov president of the movement.

The movement determined priorities for the period after the elections. Its objectives were defined as "the strengthening of a single and indivisible Russia", the working out of the uniform status of all component parts of the Russian Federation, consolidation of law and order, upgrading legal and financial discipline, raising living standards, solving the housing problem, combatting corruption and crime, reducing the tax burden and stimulating production, and putting and end to the price growth within six months, as well as establishing a professional army.

The programme stressed that the movement would support a single candidate from an alliance of democratic forces in the presidential elections.

The programme also called for amendments to the constitution, under which the government would be formed by the parliamentary majority.

In foreign policy, the movement, upon coming to power, would work to incorporate a provision in the constitution on Russia's official policy of seeking reunification in a single state with Ukraine, Belarus and Kazakhstan.

New Party Rejects 'Orthodox Monetarist' Road

MM2004140695 Moscow RABOCHAYA TRIBUNA in Russian 19 Apr 95 p 1

[Report by Viktor Yurlov under "Event of the Day" rubric: "So, the Russian United Industrial Party Has Been Formed!"]

[FBIS Translated Text] Another star has appeared on the Russian political horizon. Yesterday the first congress of the Russian United Industrial Party —RUIP—was held in Moscow in the House of Unions' Hall of Columns.

It is known that the question of this party is not something that has suddenly arisen. The relevant decision was adopted a couple of years ago at a Russian Union of Industrialists and Entrepreneurs [RUIE] conference. But it was not followed up positively. Most likely because of the profound apathy that gripped society following the Gaydar reforms.

But no longer. The noose of the crisis which has strangled literally all production arteries has forced directors, managers, and even certain owners to raise again the question of forming an industrial party. As Arkadiy Volskiy, who delivered a report, stressed, during the reforms literally dozens of different industrial and entrepreneurial associations, regional associations, and unions were formed in Russia quite deliberately, under the influence of certain politicians acting according to the principle that "it is easier to pick off those who control production one by one." The director corps has itself become stratified. Therefore the problem of consolidating all these political and quasipolitical structures has been objectively put on the agenda.

As regards the birth of the RUIP, it is also possible to talk about what is these days the exceptional phenomenon of the formation of a party on an initiative "from below" and not according to a declaration by a narrow group of people in Moscow. A typical feature is that 776 congress delegates were representing 62 regions. They included not only directors of industrial enterprises but also scientists, cultural and arts figures, and workers. Before the credentials commission chairman had time to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

finish his report on the congress composition a revision was suggested from the floor: The delegates included one Nobel Prize winner, two Lenin Prize winners, Cossacks, and military personnel. In addition, party cells have now been formed and are already operating.

The RUIP intends to put forward the following thesis as the main program demand: **To deem the orthodox monetarist policy proclaimed in 1991 invalid. The center of gravity of all work must be moved to the implementation of active measures to revive scientific and industrial potential,** because it is only on this basis that an increase in the population's welfare can be ensured.

This idea was expressed not only in the main reports of A. Volskiy, V. Shcherbakov, A. Dolgolaptev, and A. Shulunov but also in delegates' speeches. And FITUR [Federation of Independent Trade Unions of Russia] Chairman Mikhail Shmakov made no secret of his sympathy for the new party. He stressed that on the threshold of elections, when weak, stunted parties enter the arena, the trade unions will not remain on the sidelines but will support those who cherish working people's interests.

An RUIP Supreme Council was elected. The congress elected Vladimir Ivanovich Shcherbakov party chairman.

New Industrial Party Examined

MK2004124095 Moscow NEZAVISIMAYA GAZETA in Russian 20 Apr 95 p 1

[Report by Anna Ostapchuk under the "Party Development" rubric: "The Centrists' Numbers Have Increased. The Industrial Party's Constituent Congress Has Been Held"]

[FBIS Translated Text] The United Industrial Party has emerged in Russia, after all. It is headed by a triumvirate consisting of Vladimir Shcherbakov, chairman of the International Fund for the Promotion of Privatization and Foreign Investments board of directors; Anatoliy Dolgolaptev, Federation Council vice speaker; and Arkadiy Volskiy, president of the Russian Union of Industrialists and Entrepreneurs. The leadership also includes Duma Vice Speaker Artur Chilingarov, Defense Industry Enterprises League Chairman Aleksey Shalunov, and others. The law on the guarantees of citizens' electoral rights is probably causing politicians a hurting feeling of time-trouble agitation. Those who wish to participate in parliamentary elections must hurry: Very little time is left for advertising and for setting up an electoral association. Possibly, the hasty creation of the Russia's United Industrial Party (RUIP) has also been prompted by this campaign. Meanwhile, by the time of the congress, local structures of this party had been opened in 53 regions of Russia.

The new party declares that it will strive to reinstate the political center—by putting its tiny fragments together. Industrial Party members are ready to make every effort to win the votes not only of those electors who have been sympathizing with them from the very outset (which includes all the participants in the industrial cycle—from worker to director), but also all disillusioned people, who no longer believe in any ideology—be it radical-democratic, communist, or patriotic. In Arkadiy Volskiy's opinion, this group may amount to nearly 40 percent of the voters.

Naturally, to reassure these weary people, the party has to offer something very attractive and preferably wrapped in realistic wording. In all probability, the idea of "restoring the country's industrial potential" can well be used for such an inspiring slogan. The implementation of this idea complies with the interests of the party itself, the core of which is constituted by representatives of national non-export-oriented enterprises. Prominence is given also to the RUIP's social bias: "prosperity, new jobs, confidence in the future." The Industrial Party is ready to implement these program provisions side by side with trade unions. Mikhail Shmakov, chairman of the Independent Trade Union Federation, was also among the constituent congress' participants. He openly said to the NEZAVISIMAYA GAZETA correspondent that he sees the Industrial Party as a potential ally in the electoral coalition. In terms of intrinsic logic, there is nothing surprising in the fact that directors are interested in acting jointly with their employees. As practice shows, such an alliance between labor and capital to stand up for one's interests (for instance, challenged by a common enemy—the government) has often brought very tangible results.

Obviously, another important question here is the will for power: whether the new centrist structure has it or not. In a certain sense, this is, in general, the question of the feasibility of having any full-bodied political center in Russia: The specter of the "Industrial Party," which has been haunting this country since the 1930's, started to materialize itself already three years ago. People learned about this from Mr. Volskiy; the process, however, was so sluggish that it seemed that it would share the fate of its mythical prototype—to be a never-existing entity.

The party development became more active when Federation Council's Deputy Chairman Anatoliy Dolgolaptev—closely connected with the Governors' Union, an influential corporate organization—joined the team working on building the party core. Incidentally, although regional leaders themselves have chosen to take their time in joining the new party, the presence of their observers at the congress is indicative of a keen interest on the part of those notables anxious to select the appropriate political tools. Their decision, in fact, will depend on whether they intend to formulate their own federal slates or would choose to participate in the election via single-seat constituencies.

Many observers call the Industrial Party the "third Civic Union." One has to admit the existence of a certain

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

continuity, indeed, despite the fact that all the initiators—both in their speeches and in interviews—tried hard to dissociate themselves from the Civic Union (CU). Meanwhile, both the CU and the RUIP, occupy, in fact, the same political niche and have almost the same social base, to say nothing about the community of program goal.

An unwillingness to admit the rather close kinship, in my opinion, can be explained largely by a superstitious fear of sharing the CU's unfortunate lot. The Industrial Party also has a more obvious predecessor—the "Renewal" union. At the time of its creation, "Renewal" failed because big industrial bosses, with a long record of being Communist Party members, were hesitant to join any party but the party of power; and, in addition, they did not quite understand why they needed this. At present, there already exists a quite successful model in the Agrarian Party, as a structure which has been able to implement both political and corporate interests of the agricultural industry complex in the best possible way. Obviously, representatives of industrial circles must have noted this. As for political will itself, representatives of national industry—which is totally on the decline now—in general, have become much more active politically of late. Even some kind of an "industrial center" is emerging now.

This center already comprises such organizations, with a mighty "industrial and business" component, as Skokov-Rogozin's "Congress of Russian Communities" and Petrov's "Realists." Ideologically, the Industrial Party will probably be placed between them; its chances for success, however, are greater, since deep-hidden forces have been put in motion.

Military Industrial Complex To Create New Party

MK2004115095 Moscow NEZAVISIMAYA GAZETA in Russian 20 Apr 95 p 2

[Report by Demyan Belyakov under the "Party Life" rubric: "The Military Industrial Complex Is To Create Its Own Party. Conversion Has Lost Its Sense"]

[FBIS Translated Text] The third conference of the League to Support Defense Industry Enterprises was held in Moscow yesterday. The League's Executive Director Viktor Alferov identified the purpose of this conference: "For three years, we have not meddled in politics, but politics has come to us itself!" Defense industry enterprises continue to look for their place in the new world, and there seems to be no end to this process so far. For several years, nobody can tell either the League or the State Defense Industry Committee what is awaiting them or for what they should they ready themselves. There is still no program on weapons in Russia, and the prospects of all defense industry enterprises remain completely unclear.

Probably for that reason, the creation of its own political party—which has been supported almost unanimously—was chosen as the best means of survival. In general, there was much talk at the conference on creating its own lobby in the government and the Duma, and on the main rival in the struggle for survival—the fuel and energy complex. The problem of the high cost of energy for the military industrial complex (MIC) is so urgent that the interests of Mr. Shafranik's agency were deemed as "running contrary to Russia's interests."

The Industrial Party, the constituent congress of which was held 17 April, is ill-suited for the role of a defender of the MIC's interests, since its founders are overwhelmed with their own problems.

The State Defense Industry Committee's latest data show that the production rate at defense industry enterprises was 28 percent of the 1991 level. According to the League's leadership, the prices for engineering products, including those manufactured at defense industry enterprises, have lately risen by 12 percent, whereas food prices have gone up by 24 percent. True, rural workers claim that the situation is quite the opposite. (Conversion in its present form has lost its sense, since in the absence of any demand for non- military products it is more preferable simply to close down conversion lines and survive on meager military state orders). For the first time, the rate of decline in the production of non-military products has surpassed that of military products, and the directors' hopes to escape poverty through conversion have been ruined. The defense industry leaders link these problems not with the absence of government's funds, but with the lack of fiscal discipline at the Defense Ministry. Therefore, the League is going to ask to pass some functions of the Defense Ministry over to the State Defense Industry Committee, which enjoys greater trust. A similar naive stance has been demonstrated not only as regards the problems of who is going to pay, but also with respect to more global issues. Despite the fact that a speaker at the conference said that somebody will have to be sacrificed anyway, and there is no reason to give everybody his tiny share, the military industrial complex still sees the solution of its problems in receiving huge subsidies.

Starovoytova on Current Political Issues

954F2117A Moscow ARGUMENTY I FAKTY in Russian No. 16, Apr 95 p 3

[Interview with Democratic Russia Cochairman Galina Starovoytova by ARGUMENTY I FAKTY correspondent Natalya Zhelnorova; place and date not given; under the rubric "A Smart Broad": "Galina Starovoytova: Politicians Should Be Changed Like Diapers"]

[FBIS Translated Text] [Zhelnorova] Galina Vasilyevna, it is common knowledge that you currently live in the United States and only occasionally visit Russia. In short, you went somewhere where there is no war and people do not get killed or robbed.

[Starovoytova] I have not emigrated. Having found myself unemployed, I simply had to figure out how to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

make a living. In the United States, my subject is Russia: I have written one book and am currently working on another. I am sometimes invited to testify at U.S. Congress subcommissions; I meet with American politicians. I think I share all the troubles of our people. I spend lengthy periods of time here, in Moscow, and in different regions of the country.

[Zhelnorova] How can one "share people's troubles" when one is overseas?

[Starovoytova] When I am in Moscow, I receive petitioners and intend to invite refugees from Chechnya (regardless of their nationality) to live in my dacha near Moscow.

How Starovoytova Refused $100,000 a Year

[Zhelnorova] No matter how you look at it, it turns out that the democrats have subjected the country to an experiment while they themselves escaped abroad. And now they come visiting—to monitor the guinea-pigs. And your book—is it more important than real life, being a part of it?

[Starovoytova] Try to put yourself in my place. I have neither a car nor a pass; I ride the subway, but at the same time everybody knows me by sight. And anybody can say to my face either a nice word of support or spit out: "Just you wait, when we take power you will be the first to hang." Our party is poor, because we do not have the support of foreign neo-Nazis or big capital, as some other parties do. I cannot afford television. After resigning from the parliament disbanded by the president, I found myself without any protection, without a job. Later, Gaydar invited me to work at his institute. Then I won a grant to the United States. Forgive me, but I am just a human being! Naturally, I accepted this proposal. But I did not accept five job offers for the next year, which were paying up to $100,000.

You say that the democrats have left, disappeared, that they do not influence the course of events. Yes, we have been removed from power, from access to the president or those who actually make decisions!

[Zhelnorova] Are you now going to Chelyabinsk to rally support for democracy?

[Starovoytova] Just because democratic ideas were essentially betrayed by our nomenklatura, which changed its colors, this does mean that they have become worse. The word "democrat" has turned into a swear word for understandable reasons. But there is still a large electorate that holds dear the stormy period associated with great hopes. They do not have anyone to express it, do not see the moral point in politics.

There is currently no connection between the institution of the presidency and political parties. Yeltsin is trying to remain the president of all Russians and to stay above the fray. Parliamentary elections will be a litmus test for Yeltsin—to see in which direction the public mood is swinging and to swing in the same direction. In practical terms, he was a candidate from the Democratic Russia movement, but he never signed a contract with us (although we did insist on it). He used this movement to come to power. And now he can easily move over even to the moderate nationalists' camp.

[Zhelnorova] Why there, of all places?

[Starovoytova] Because nationalism is easier to understand when you are trying to unite people. Powerful barriers should have been erected in the path of the spread of fascism. Neither Gorbachev nor Yeltsin have done this, however.

Gorbachev underestimated the scope of his power, and therefore for six years scared us with the bogeyman Ligachev. I believe that with intelligent leadership the Soviet Union could have been held together for another half a century. But both the Russian tsars and even Stalin governed the country in a much more cunning and resourceful way and did not send troops into each capital, whether they had good reason to or not.

[Zhelnorova] Who may come out the winner?

[Starovoytova] The president has betrayed the democrats who brought him to power. People are disoriented. Nobody explains what is happening. People are not cattle—you have to talk to them.

At the very beginning of price decontrol Sobchak warned that "shock therapy" may doom the democratic gains in the country. This prediction is coming true. Unfortunately, Yeltsin too often removes himself from the tasks at hand and delegates them to second-rate aides in his inner circle.

[Zhelnorova] What smart advice would you give to President Yeltsin?

[Starovoytova] Canceling the elections will not bring stabilization. On the contrary, the reason we now have relative calm in society is because the opposition is preparing for elections. If they are deprived of this opportunity, they will change the tactics of struggle, and will have the moral right to do so. Politicians should be changed as often as diapers—and, most importantly, for the same reason. That is why in December of last year our Democratic Russia party moved into opposition to the president and will not vote for him in the next elections.

[Zhelnorova] Why did you move into opposition so late, waiting until all hell broke loose in Chechnya? It had been clear for a long time that the course had changed—and not in a democratic direction.

[Starovoytova] A year ago we adopted a slogan of conditional support for the president. Conditional means reacting positively to his positive steps, and negatively to negative ones.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Zhelnorova] Should parties not always work in the conditional support mode? Praise the sovereign when he does good things and berate him for bad ones?

[Starovoytova] Yes, probably. When the prime minister of England or the U.S. President begins to lose popularity among the people, his party begins to think about changing leaders. But President Yeltsin did a very astute thing by not tying his hands with obligations to any party. We also have distanced ourselves from him. At our congress in Chelyabinsk we demanded that the initiators of the Chechen massacre be brought to answer.

Evil must be punished. These endless amnesties of all sorts of putschists; this endless failure to catch contract killers... What kind of rule of law can we talk about in our society when no crime has been punished?! According to independent sources, of the 30,000 people killed in Chechnya, 5,000 were children. Can one remain silent about this?

[Zhelnorova] What should be done about Chechnya now?

[Starovoytova] Stop trying to quickly wrap up the war by 9 May, as Pavel Grachev wants. In Chechnya they are using types of weapons and methods of warfare banned by the international convention, to which Russia is a signatory. Vacuum bombs, napalm, blanket bombardments of the peaceful population, bullets with off-center gravity... All this may give cause for a trial in the Hague or some other international court.

Everybody jumped on the Russian example of how to deal with autonomies. Kitovani in Georgia moved to attack Abkhazia; Azerbaijan immediately resumed firing on Karabakh; and Ukraine immediately scrapped the Crimean Constitution.

Authority in Russia should be legally changed. After which the new authorities should deeply apologize to the Chechen people, who have been subjected to genocide twice in the past half-century. After this, Russia will have to rebuild Chechnya with funds from its own budget and give it the opportunity to elect legitimate bodies of authority. (By the way, Chechnya never proclaimed secession from the Russian Federation.) But now we have given Chechnya much more reason to secede from Russia.

[Zhelnorova] Both Moscow and Russia are teeming with Chechens right now. They are creating an even more explosive situation.

[Starovoytova] I think that as long as President Dudayev is alive and has not been subjected to humiliating capture, there will be no terrorist acts in Moscow or other parts of Russia. If he is arrested, bombing may begin. Because he is the leader of the people. When Sheik Shamil was taken prisoner by Alexander II, he was delivered to the imperial capital with full honor as head of state.

[Zhelnorova] Will you run in the presidential or parliamentary elections?

[Starovoytova] I have not decided yet. And it is too early to talk about that anyway, because election laws have not yet been passed. If running in the elections will require collecting within a short period of time 1.5 million signatures, and no more than 7 percent of them in one oblast, the only people who will be able to afford it will be those currently in power, or "moneybags" (of the Mavrodi kind), or leaders of parties that have financial support from abroad or from our national-capitalists. Organizing the collection of these signatures for one candidate will cost between $700,000 and $1 million. That is, not a single candidate more democratic than the president will be able to even get a nomination. According to the estimates of the British magazine THE ECONOMIST, the presidential campaign in Russia will cost $50 million (compared to the $30 million a presidential campaign costs in the United States).

I think the situation is being deliberately pushed in the direction of leaving people a choice between Yeltsin and Zhirinovskiy. And against the background of Zhirinovskiy as the greater evil making scared people vote again for the lesser one—Yeltsin.

[Zhelnorova] Where are you now in the political spectrum?

[Starovoytova] Our place in the political spectrum now is between Gaydar and Yavlinskiy. Gaydar and his Russia's Choice faction advocate a more liberal economy, that is, pure market capitalism. Yavlinskiy advocates much greater state intervention during the transition period.

[Zhelnorova] But if you enter the fight under Democratic Russia slogans, you will fail.

[Starovoytova] We have always evoked either hate or passionate love. People have never been neutral towards me. Strangely enough, I have not been forgotten; I bought myself a wig and dark glasses, but people still recognize me by voice. Even when I call the telephone directory.

Threats Against Starovoytova. Where To Hide the Grandchild?

[Zhelnorova] How has your personal, family life been in the past four to five years?

[Starovoytova] Very difficult. First, my family did not withstand the trial of my political career. I lived in the Moskva hotel for three years, and spent little time at home. Refugees camped out by my door or lived in my hotel room. Among them were those I freed from the Butyrskaya prison. I brought them to my place to wash them up. I fed them and gave them money until their relatives arrived. In the first four years I did not get any rest; my health seriously deteriorated. During this time

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

my son grew up, got married, and now lives separately. I love my grandson very much.

My family has been subjected to numerous threats. First from Muslim fundamentalists, because I was a deputy from Armenia. "Your blood will wash away the blood of our martyrs." They believed that I was to blame for bringing troops into Baku after the massacre of Armenians there. They told me, my son, and my husband where and when they would kill us. Then there were threats from fascists. My husband got cold feet; he became pessimistic regarding the prospects of democracy in Russia. He believed that I should leave this movement, that I was taking a reckless risk and jeopardizing the lives of my loves ones and our son. As a result, we got divorced.

[Zhelnorova] So it turns out that he was more of a politician than you?

[Starovoytova] Perhaps. But I felt responsibility toward the people who had placed their trust in me. Two months ago threats were made against my grandson. So now I am thinking about where to move him, how to change his address.

There Was an Idea To Nominate G.V. for the U.S. Congress

[Zhelnorova] There is a rumor that you have moved all your relatives to England and Israel...

[Starovoytova] This is not true. My father, mother, and sister live in Sosnovaya Polyana in Petersburg. My son is a Russian citizen but has a work permit in England and goes there on business. He publishes a magazine which is distributed here—NOVYY DZHENLMEN ["New Gentleman"].

I have many relatives in the Urals, in Chelyabinsk, where I was born. And no relatives in Israel. None of my relatives are foreign citizens. Although I myself was offered permanent residency in the United States. Moreover, a large group of Russian emigres offered to help me quickly obtain American citizenship and to nominate me for the U.S. Congress. You cannot be elected U.S. president if you were not born there, but you can be elected to Congress. I told them: Thank you for your trust, but I have to return to my motherland.

I was born in Chelyabinsk after the war to Vasiliy Stepanovich Starovoytov, a descendant of a Belarusian peasant, and Rimma Yakovlevna Potapova, of the Urals Cossacks. My father is a Russified Belarusian. My grandfather and great-grandfather on my father's side were peasants. And my grandfather and great-grandfather on my mother's side—Cossack host captains.

[Zhelnorova] What is your vision of your future?

[Starovoytova] I live according to the principle: Combine pessimism of knowledge with optimism of action. I could have spent the rest of my life abroad—carefree, living on a good salary; but I have returned here. I was Yeltsin's authorized representative during the election campaign. I was "in charge" of the southern Urals and the Trans- Urals regions, exhorting people to vote for him. In Kurgan, for instance, I raised his rating from 15 to 57 percent. But at the last minute, on 12 June, I myself got second thoughts, and simply did not vote. I was flying back from Kurgan, so formally I had a good excuse... And on 12 December 1993 I did not vote for the constitution that gave the president excessive powers.

'Difficulties' Expected with VE-Day Events

MM2004112895 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Apr 95 p 1

[Unattributed report: "Two Worlds—Two Parades"]

[FBIS Translated Text] Vladimir Govorov, the main organizer of the 9 May Red Square parade, announced at a press conference at the CIS Armed Forces Museum yesterday that those taking part in the parade would include not only war veterans (as representatives of the Western countries had demanded) but students from the Suvorov and Nakhimov colleges, servicemen from the Moscow Garrison, and representatives of the military academies—up to 1,000 people in all.

We would recall that in connection with the events in Chechnya, Western leaders refused to take part in the Red Square parade if Russian military hardware and other symbols of our military valor were going to be on show. That was why it was necessary—and, as was stressed at the press conference, against the will of the veterans and the public—to organize two parades. The second parade—a military one—will be reviewed on Poklonnaya Hill by Defense Minister Pavel Grachev. This involves considerable difficulties—the 14,000 participants in the Red Square festivities will have to move to Poklonnaya Hill by 1300. From one parade to the other. The president will then ceremonially cut a ribbon at the memorial.

Kotenkov on Limits of Region-Center Power Sharing

MK2004103095 Moscow SEGODNYA in Russian 20 Apr 95 p 2

[Report by Yelena Tregubova under the "Federalism" rubric: "The Center Will Give the Regions a Driver's License Rather Than an Automobile"]

[FBIS Translated Text] Aleksandr Kotenkov, deputy minister for nationalities affairs, confirmed in yesterday's press conference that the federal authorities intend to regulate their relations with each region "on a strictly individual basis."

Such a principle is enshrined in the draft law "On the Procedure and Principles of Delimiting Jurisdictions and Powers Between the Bodies of State Power of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russian Federation and Components of the Federation," which Boris Yeltsin forwarded to the State Duma the other day.

Aleksandr Kotenkov said that 89 Russian regions "have far from equal possibilities to exercise various powers," for which reason such a law "can only be of a framework character." The "delimitation" and "delegation" of powers will, as before, be done "depending on each concrete instance."

One of the main methods of regulating relations with the regions set forth in the presidential draft is bilateral treaties with agreements to be simultaneously signed between related federal and regional ministries affecting all the most important spheres. Today, Moscow has already signed four such "Big Treaties" with Tatarstan, Bashkortostan, North Ossetia, and Kabardino-Balkaria. Yakutia, Komi, and Buryatia will be joining the "signatories" in a few days.

Aleksandr Kotenkov assured the journalists that "the center is prepared to share powers with the regions." The president's draft however, says that "in the event of the unsatisfactory exercise" by the regions of powers turned over to them, the central authority may very well take back these powers. The deputy minister for nationalities affairs made the point clear by drawing an analogy: "When someone is given a driver's license, this does not mean he is given an automobile!"

Constitutional Court's Workings Explained

MM2004145395 Moscow ROSSIYSKAYA GAZETA in Russian 19 Apr 95 First Edition pp 1-2

[Interview with Vladimir Tumanov, chairman of the Russian Federation Constitutional Court, by Valentin Maslennikov; place and date not given: "That Is What the Constitution Demands. First Verdict Pronounced by the Country's Supreme Judicial Organ Elicited Broad Public Response"—first two paragraphs are introduction]

[FBIS Translated Text] A few days ago after a long silence we finally heard the voice of the Russian Federation Constitutional Court. Its full membership ruled that the State Duma should in the future adopt laws, rulings, and decrees based solely on the membership of 450 deputies ratified by the Constitution when counting vote results. However, it was stressed that this decision is not retroactive and that all the Duma's previous acts remain valid.

Our correspondent asked Russian Constitutional Court Chairman Vladimir Aleksandrovich Tumanov to comment on this decision.

[Tumanov] I think that many mass media are wrong to kick up a hullabaloo over this matter. It is not very complex, much less sensational. Furthermore it is quite mistakenly being linked with the alleged illegitimacy of I. Rybkin's election as chairman of the State Duma. When Ivan Petrovich was elected there were 446 deputies in the room and he polled most of the votes. Had 150-200 people been missing, the public's alarm would be justified.

Moreover, we abide by a rule accepted in world jurisprudence: No retroactive decisions can be adopted if they retroactively increase liability or impose a stiffer punishment. The relaxation of punishment is another matter. Thus, certain politicians' fears or hopes that we would cancel some of the Duma's previous acts were quite in vain.

[Maslennikov] What made it necessary to examine this question?

[Tumanov] We received a petition. So we examined the matter. What is more, it is actually an important one. It is, after all, a question of the stability of law and order and of the guaranteeing of our rights. Since the Constitution says that there should be 450 deputies in the Duma, the votes must be counted with that figure being used as a point of departure.

I think that this decision will be particularly relevant following the election of the new Duma. It may quite well be the case that 450 deputies will not be elected in December but a hundred or so fewer. Then deputies elected on party lists will have a clear advantage. They will select all their mandates, and guarantees of ordinary voters' rights will be violated.

The current practice employed by oblast and kray representative organs indicates that they sometimes only elect 40-50 percent of the requisite number of deputies and immediately set to work adopting their laws and decrees, even though the interests of a considerable number of voters are not represented in these legislative assemblies. Judge for yourselves what kind of representative organs they are.

[Maslennikov] But we know that even elected people's representatives by no means always attend sessions....

[Tumanov] Well, that is a matter for the people organizing the work of our legislative assemblies and a matter for the conscience of the deputies themselves. We rely on a single point of reference—the Russian Federation Constitution. It says that there must be 450 elected representatives in the Duma and 178 in the Federation Council. So, please be so good as to ensure that this number of people are there and are working. If there are actually fewer people there, the Constitution is being violated.

Since there are 28 people missing from the Federation Council, this means that 14 regions have no representation at all. And if the decisions adopted concern precisely those krays and oblasts which have no representatives in our upper chamber, what guarantee is there that their interests will not be violated?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Maslennikov] Many of our readers are interested in why the Constitutional Court began its work with what is a purely organizational matter rather than with the most pressing problems of the day. Everyone is worried about when the country's supreme judicial body will start examining the question of the constitutionality of force being used to restore order in Chechnya.

[Tumanov] The lower parliamentary chamber has literally just sent us a petition on this matter. We have not yet received anything from the Federation Council, although there is every indication that they too have a petition ready. So we will obtain all the necessary paperwork, prepare the matter for consideration, and then submit it to a full, plenary session.

[Maslennikov] How much time will these preparations take, and should the examination of the matter not be speeded up in view of its extraordinary importance? Or do you only examine all matters in the order in which they arise?

[Tumanov] We have not amassed so many questions to put to plenary sessions that this would affect the dates on which they are examined. I think that we will stick to the timeframes envisaged by the law.

[Maslennikov] But how far does a question's topicality and relevance affect the date on which it is examined?

[Tumanov] The necessary rules of procedure will not be sacrificed to speed. Observance of the rules is not a formality but a mandatory requirement. If we lacked order, what right would we have to demand it of everyone else?

[Maslennikov] What if the circumstances mean that any delay could spell disaster?

[Tumanov] If the current situation could have some undesirable complications or grave consequences, or pose a threat to public tranquillity, we can ask for implementation of a particular act to be suspended prior to a court ruling.

[Maslennikov] And would it be suspended without fail?

[Tumanov] No. This kind of statute has no legal force. It is not, after all, a Constitutional Court ruling. People may disagree with it.

[Maslennikov] Do we now have any other issues whose topicality renders them a top priority?

[Tumanov] I think that it is just wrong to divide up petitions in this way. Some seemingly minor question from a private petition, which seems trivial compared with Chechnya, may affect the interests of millions of Russian citizens.

[Maslennikov] Nevertheless let us dwell on one of these individual questions. The Federation Council recently "thanked" the Bryansk Oblast Duma for appealing to the Constitutional Court regarding the "two-headed" rule in local administration. A patently abnormal situation has developed there: The two heads do not coexist very peacefully—one was elected by the people and the other appointed by the president. Will you be examining this issue?

[Tumanov] First, no one has yet addressed us on this matter. Furthermore this matter should initially be considered by a court of general jurisdiction. There is a law and it is necessary to abide by it. Our concern is to provide findings on whether or not a particular state act conforms with the Russian Federation Constitution. As for the appointment or election of an administration heads, that must be decided at local level in accordance with the charters (lesser constitutions) of Federation components. Right now many regions have not decided who is to elect or appoint officials, or how.

Incidentally, let me also anticipate your next question: Why, you may ask, have we not had our say over the sacking of the Moscow prosecutor and the chief of police? Everything seems to have been resolved with regard to the former, while the question of the latter is still up in the air. Well, this conflict should be examined not by the Constitutional Court but by a general court. Especially since no one in our country has yet revoked the Law on the Militia.

[Maslennikov] Are members of the Constitutional Court not afraid of being reproached with taking a purely formal approach to their work?

[Tumanov] No, we espouse a firm, principled position: Everyone must hew to the Constitution and nothing else.

[Maslennikov] But can there be any deviations from the Constitution?

[Tumanov] Of course. This document was written by living people, right now it is far from perfect, and life itself is constantly making various adjustments which necessitate different norms. Let us first (with full observance of all the formalities) make the requisite amendments to the Constitution, amendments dictated by the time, and then act in accordance with these now-legal new norms.

Law on Energy Price Regulation Published

MM2404150295 Moscow ROSSIYSKAYA GAZETA in Russian 20 Apr 95 First Edition pp 3, 5

[Russian Federation Federal Law No. 41-FZ "On State Regulation of Electrical and Thermal Energy Tariffs in the Russian Federation," adopted by the State Duma 10 March 1995, dated Moscow, the Kremlin, 14 April 1995, and signed by Russian Federation President B. Yeltsin]

[FBIS Translated Text] This federal law defines the economic, organizational, and legal bases of the state regulation of electrical and thermal energy tariffs in the Russian Federation.

Article 1. Basic Concepts

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The following basic concepts are used in this federal law:

The electrical and thermal energy tariffs (hereinafter the tariffs) constitute the system of price rates by which transactions relating to electrical energy (capacity) and thermal energy (capacity) are conducted; for the purposes of this federal law the said concept is used on the basis of the sense and the specific substance of the legal norm;

an energy-supplying organization is a commercial organization regardless of its legal-organizational form, which sells produced or bought electrical and (or) thermal energy to consumers;

a consumer is a physical or a legal person that uses electrical energy (capacity) and (or) thermal energy (capacity);

the federal (all-Russia) wholesale market for electrical energy (capacity) is the sphere for the buying and selling of electrical energy (capacity) by its components within the bounds of Russia's Integrated Energy System;

the components of the federal (all-Russia) wholesale market for electrical energy (capacity) are legal persons that buy and sell electrical energy (capacity) and (or) provide services on the federal (all-Russia) wholesale market for electrical energy (capacity).

Article 2. Essence of State Regulation of Tariffs

The tariffs for the electrical and thermal energy supplied by commercial organizations regardless of their legal-organizational forms are subject to state regulation. State regulation of tariffs is conducted by means of establishing economically substantiated tariffs for electrical and thermal energy or an upper limit for these tariffs in accordance with the principles set forth in this federal law.

The set tariffs may not be valid for less than three months.

Article 3. Purposes of State Regulation of Tariffs

State regulation of tariffs is conditioned by the natural monopoly of energy-supplying organizations and is implemented for the purposes of:

protecting the consumers' economic interests against a monopoly increase in tariffs;

creating a mechanism for coordinating the interests of producers and consumers of electrical and thermal energy;

forming a competitive environment in the electrical energy complex to enhance the efficiency of its functioning and to minimize the tariffs;

creating economic incentives to ensure the use of energy-saving technologies in production processes;

ensuring for legal persons—producers of electrical energy (capacity), regardless of the legal-organizational forms—the right of equal access to the federal (all-Russia) wholesale market for electrical energy (capacity).

Article 4. Principles of State Regulation of Tariffs

The following basic principles must be observed in the state regulation of tariffs:

Electrical energy (capacity) and thermal energy (capacity) are supplied to all consumers at the tariffs approved in accordance with the prescribed procedure;

the economic validity of the planned (rated) production cost and profit is determined when calculating and approving the tariffs;

the openness of the materials of energy commissions with regard to the examination and approval of electrical and thermal energy tariffs and their accessibility to consumers and the public are ensured;

the economic validity of the expenditure by commercial organizations on the production, transmission, and distribution of electrical and thermal energy is ensured;

commercial organizations in the sphere of the production, transmission, and distribution of electrical and thermal energy are provided with financial funds for the development of production and for scientific, technical, and social development, including funds channeled into energy saving and the ensuring of the Russian Federation's energy, technical, and ecological safety (including nuclear and radiation safety), carried out by attracting loan funds, private investments, commercial organizations' funds (investment funds, insurance funds, research and development funds), and other funds;

conditions are created for attracting Russian and foreign investments;

the size of the funds channeled into labor remuneration is determined in accordance with sectoral tariff agreements;

suppliers of energy equipment and contract organizations for energy and electric network construction are selected on a competitive basis;

the results of the activities of energy-supplying organizations are recorded on the basis of the work results during the period of operation of the earlier approved tariffs.

Article 5. Powers of the Russian Federation Government and Powers of Organs of Executive Power of the Components of the Russian Federation in the Sphere of State Regulation of Tariffs

The Russian Federation Government:

establishes the fundamentals of price formation for electrical and thermal energy on the territory of the Russian Federation;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

forms the consolidated balance of production and supplies of electrical energy (capacity) within the framework of Russia's Integrated Energy System for the components of the Russian Federation;

determines questions of the state regulation of the tariffs for electrical and thermal energy supplied outside the territories of the components of the Russian Federation by commercial organizations, for electrical energy (capacity) supplied to the federal (all-Russia) wholesale market for electrical energy (capacity) by commercial organizations, and for electrical energy (capacity) supplied from the federal (all-Russia) wholesale market for electrical energy (capacity) to its components, including that supplied for export;

approves the normative-methods basis of the activity of organs of state tariff regulation;

ensures the organization of funding the activity and development of Russia's Integrated Energy System.

In accordance with the principles set forth in this federal law and proceeding from the fundamentals of price formation for electrical and thermal energy established by the Russian Federation Government, the organs of executive power of the components of the Russian Federation determine questions of the state regulation of the tariffs for the electrical and thermal energy released by all energy-supplying organizations (apart from organizations in municipal ownership, for which the tariffs are set by organs of local self-government) to consumers located on the territories of the corresponding components of the Russian Federation, with the exception of consumers whose energy supply is provided from the federal (all-Russia) wholesale market for electrical energy (capacity) with the consent of regional energy commissions.

Article 6. Organs of State Tariff Regulation

The federal organ of executive power—the Russian Federation Federal Energy Commission (hereinafter the Federal Energy Commission)—carries out state regulation of tariffs on questions related to its powers in accordance with this federal law.

The organs of executive power of the components of the Russian Federation—the regional energy commissions of the components of the Russian Federation (hereinafter the regional energy commissions)—carry out state regulation of tariffs on questions related to their powers in accordance with this federal law.

Article 7. Normative-Methods Basis of the Activity of Organs of State Tariff Regulation

The Federal Energy Commission and the regional energy commissions are guided in their activity by the Russian Federation's legislation, work on the unified normative-methods basis approved by the Russian Federation Government, and are independent in their decisions within the powers granted them by this federal law.

The regional energy commissions are also guided in their activity by the normative legal acts adopted by the corresponding components of the Russian Federation within the powers provided for in Article 5 of this federal law.

Article 8. Formation of the Federal Energy Commission

The Federal Energy Commission consists of the members of the said commission working on a permanent basis and its chairman, who is appointed to the post by the Russian Federation president according to the procedure laid down by law, as well as the commission's apparatus, whose numerical strength is approved by the Russian Federation Government.

The Federal Energy Commission operates on the basis of a statute approved by the Russian Federation Government.

Article 9. Formation of the Regional Energy Commissions

The members of the regional energy commissions and their chairmen are appointed to the posts according to the procedure determined by the corresponding components of the Russian Federation.

Candidacies for the posts of chairmen of regional energy commissions are agreed with the Federal Energy Commission.

Article 10. Legal Status of the Federal Energy Commission

The Federal Energy Commission is a legal person and, for the performance of its functions, has a current account and other accounts in banking establishments and letterheads and stamps indicating its name.

Article 11. Powers of the Federal Energy Commission

The Federal Energy commission is endowed with the following powers:

to set the tariffs for electrical energy (capacity) on the federal (all-Russia) wholesale market for electrical energy (capacity) in accordance with the principles set forth in this federal law;

to set the normatives for forming funds (the size of funds) earmarked for financing the activity and development of Russia's Integrated Energy System and organizing the functioning of the federal (all-Russia) wholesale market for electrical energy (capacity), including setting the economically valid size of the subscription payment for services in organizing the functioning of Russia's Integrated Energy System, developing it, and other services provided on the federal (all-Russia) wholesale market for electrical energy (capacity), as well as the normative for forming funds earmarked for ensuring the safe functioning of nuclear electric power stations;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to elaborate proposals for improving the existing federal laws and other normative legal acts in the sphere of state regulation of electrical and thermal energy tariffs and adopting new ones;

to elaborate and approve a unified system to classify and record the expenditure of energy-supplying organizations, as well as a system of accountability provided to the energy commissions;

to examine drafts of targeted programs to develop electricity generation in the Russian Federation and proposals for funding them;

to examine disagreements that arise among regional energy commissions, consumers whose electricity supply comes from the federal (all-Russia) wholesale market for electrical energy (capacity), and energy-supplying organizations at their request and to adopt decisions on the disagreements being examined;

to check the economic activity of commercial organizations, for which the tariffs for released electrical energy are set by the Federal Energy Commission, with regard to the sizes of the said tariffs.

Article 12. Powers of the Regional Energy Commissions

The regional energy commissions are endowed with the following powers:

to set economically valid tariffs for electrical and thermal energy supplied by energy-supplying organizations to consumers located on the territories of the corresponding components of the Russian Federation, with the exception of consumers who have access to the federal (all-Russia) wholesale market for electrical energy (capacity), as well as the size of payment for services relating to the transmission of electrical energy through networks (tariffs are regulated by regional energy commissions on the basis of statutes approved by organs of state power of the components of the Russian Federation in accordance with the principles set forth in this federal law and proceeding from the fundamentals of electrical and thermal energy price formation established by the Russian Federation Government);

to elaborate proposals for targeted programs for the development of electricity generation adopted by federal organs of state power and affecting the interests of components of the Russian Federation;

to coordinate proposals for locating and enlarging enterprises and electricity generation installations regardless of the forms of ownership, whose activity affects the interests of the corresponding components of the Russian Federation;

to check the economic activity of energy-supplying organizations, for which the tariffs are set by regional energy commissions, with regard to questions of forming and applying the tariffs for electrical and thermal energy;

to participate in forming the balances of electrical energy (capacity);

other powers in the sphere of state tariff regulation not provided for in Article 11 of this federal law.

Article 13. Resolution of Disagreements and Disputes Arising During State Tariff Regulation

In their decisions on questions of state tariff regulation the Federal Energy Commission and the regional energy commissions ensure the combination of the interests of consumers and suppliers of electrical and thermal energy.

In the event of disagreements arising in connection with state regulation of the tariffs for electrical and thermal energy, consumers and suppliers of electrical energy (capacity) and thermal energy (capacity) and regional energy commissions may turn to the Federal Energy Commission to resolve the disagreements. On turning to the Federal Energy commission, the sides pay a charge, whose size and the procedure for paying which are determined by the Russian Federation Government. The amounts of receipts from the charge are entered in the federal budget.

Disputes connected with the state regulation of tariffs for electrical and thermal energy, including disagreements not resolved by the Federal Energy Commission, are to be examined in a court of arbitration.

Article 14. Funding of Energy Commissions

The Federal Energy Commission is formed within the limits of the existing size of the state apparatus and the expenditure on its maintenance provided for in the federal budget. The Federal Energy Commission is financed out of the funds earmarked for this purpose in the federal budget.

The sources and procedure for funding the regional energy commissions are determined by the components of the Russian Federation.

The Federal Energy Commission and the regional energy commissions are prohibited from engaging in entrepreneurial activity.

Article 15. Procedure for State Regulation of Tariffs

The procedure for the state regulation and application of tariffs is set by the Russian Federation Government following a representation from the Federal Energy Commission.

The procedure for examining disagreements on turning to the Federal Energy Commission is set by the Russian Federation Government.

The list of the commercial organizations for which the tariffs for the electrical energy supplied are set by the Federal Energy Commission is approved by the Russian Federation Government.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Article 16. Bringing Normative Legal Acts Into Line With This Federal Law

Legal acts of the Russian Federation president and the Russian Federation Government, normative legal acts of federal organs of executive power, and normative legal acts of components of the Russian Federation on questions of state tariff regulation are brought into line with this federal law within three months of its coming into force.

Article 17. Coming Into Force of This Federal Law

This federal law comes into force on the day of its official publication.

[Signed] B. Yeltsin, president of the Russian Federation
[Dated] 14 April 1995

Food Supply Situation Termed 'Critical'

MM2404142995 Moscow PRAVDA in Russian 21 Apr 95 p 1

["Agricultural Review" by A. Pazhitnev: "Alarming Spring for Crop Farmers"]

[FBIS Translated Text] The situation with regard to the population's food supply has reached critical level in Russia. V. Shcherbakh, Russian first deputy minister of agriculture and food, said at a recent plenum of agro-industrial complex trade unions central committees that current agricultural output meets only 50-60 percent of the national consumers' needs.

An alarming assessment. First, according to universally recognized practice, it is thought that a state which meets over 30 percent of its food requirements from imports lacks food independence. As you can see, Russia has already transcended this critical point. Second, even if you count the food received from the West, Russia's food market today clearly cannot meet the requirements of its 150-million population.

Experts estimate that this year gross grain volumes may fall by 20 percent on the 1994 level, and agricultural output as a whole may fall by 7 percent. It is in this situation and amid this kind of disquiet that rural commodity producers are greeting the spring.

Field work in the south of the country has now begun even somewhat earlier than usual. But in mid-March cold weather returned to the North Caucasus and the Lower Volga Region. Crops have died on many thousands of hectares.

That calamity may not be the worst. There is something else worrying rural workers. Owing to the high prices of agricultural equipment, mineral fertilizers, and fuel and lubricants there has been a dramatic reduction in deliveries of material and technical resources. Thus, country people's purchases of tractors have dropped by a factor of 10 from 200,000 in 1985, while purchases of plows, seed drills, and grain combine harvesters have dropped by factors of seven, 70, and five respectively.

What is more, equipment bought in the past is now rapidly getting old and going out of service. There is a chronic shortage of spare parts and means of carrying out scheduled repairs. It is evidently no coincidence that for all these reasons agricultural equipment is 5-15 percent less ready for field work than last year, and almost one-third less ready in a number of regions.

The situation is also being aggravated by the fact that last fall around 19 million hectares were not plowed for spring sowing. In addition around 2 million hectares of lodged winter crops have to be resown.

The difficulties regrettably do not end here. In a number of areas of Russia there is a poor supply of sowing material. Grain and sunflower seed is in short supply. "Roskhleboprodukt" organizations have enough maize seed to meet all requirements but rural commodity producers cannot acquire it since they do not have the money to pay for it.

The situation is similar when it comes to sugar beet, fiber flax, vegetable, and cucurbit seeds. There is one solution: The state must issue rural commodity producers with soft loans without delay. This kind of accord seems to already be in place at federal level, but the resolution of the question is still being delayed. Meanwhile time is pressing on.

Another equally important matter also needs to be resolved. Specialists estimate that 420,000 tonnes of automobile gasoline and about 1 million tonnes of diesel fuel are needed for field work. Rural commodity producers only have one-half the amount of fuel needed for tractors and motorized vehicles.

One of the main reasons for the fuel shortage is country people's insolvency. Almost a month ago there were plans at government level to provide agricultural enterprises with fuel and lubricants in return for commodity credits with payment being made subsequently in agricultural produce. A good plan in principle, given the payment arrears and rural commodity producers' lack of finance. However, a mechanism for these kind of settlements has not as yet been worked out. And this means that the stopcock on the fuel pipeline is closed to country people. Typically, no directives from the highest organs carry any weight with oil refineries. You wanted market relations, then that is what you have got!

This spring has also caused field workers plenty of other problems. One of them is the disastrous decline of soil fertility. Since last fall just 350,000 tonnes of mineral fertilizers have been brought in for the coming harvest, one-tenth of the average figure in 1986-1990. The hope that the situation can be rectified in the spring is extremely slim. Admittedly, the Russian Government has given country people one concession—mineral fertilizers for food grain will be issued on preferential terms at a 50-percent discount.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

...The mild spring sun is warming the plowland. The field work is expanding every day. But it is hard to tell right now how organized and coordinated it will be this year. And, importantly, what kind of return there will be from the land given the price disparity, the extremely severe lack of finance, the astronomical taxes, and the dramatic reduction in material and technical supplies for rural commodity producers?

Media Issues

Public TV Leaders Said Curbing Reporters' Freedom

MK1904112095 Moscow NEZAVISIMAYA GAZETA in Russian 19 Apr 95 p 2

[Unattributed report in the "In Brief" column: "First Conflicts"]

[FBIS Translated Text] As if contrary to numerous assurances by Public Russian Television's [ORT] leadership that journalists are given free hand in their creative work at public television, on 16 April there was a conflict between the company's leadership and Sergey Alekseyev, author of the "Voskresenye" program. Alekseyev, who returned from London, had prepared material on how the British people view Russia and the "new Russians." ORT leaders considered this material to be of no topical importance, and they demanded that Alekseyev rework the program already after it had been first transmitted to some Russian regions. Alekseyev refused, and another person was put on the air to lead the program. This conflict was not the only one. Recently, Alekseyev refused to make any comments on material about Yeltsin's resting in Kislovodsk, which was given from above by Sergey Medvedev, the president's press secretary, and added that this material did not belong to the "Voskresenye" program. The leadership raked him over the coals for that. Alekseyev is continuing to defend his position and, if he fails, he intends to leave ORT.

Military, Nuclear & Space Issues

Source: Grachev Must Report Contacts to Yeltsin

MK1804132095 Moscow NEZAVISIMAYA GAZETA in Russian 18 Apr 95 p 1

[Report by Igor Korotchenko under the "In Brief" rubric: "Reliable Control"]

[FBIS Translated Text] General of the Army Pavel Grachev is supposed to report to President Yeltsin without fail the nature of all his official and unofficial contacts with representatives and leaders of political parties and movements of Russia—NEZAVISIMAYA GAZETA has come to learn this from a well—informed source in the Kremlin. Also, the president has at his disposal at least two more alternative information channels on the situation in the Russian Federation Defense Ministry and on moods among the top military leadership.

Grachev Fails To Appear in Court on Libel Suit

LD1904210495 Moscow INTERFAX in English 1902 GMT 19 Apr 95

[FBIS Transcribed Text] Moscow, April 19 (INTERFAX)—Russian Defense Minister Pavel Grachev failed to appear in the Presnenskiy District Court of Moscow due to participating in a meeting of the CIS Defense Ministers' Council Wednesday. The court was to consider his suit against the newspaper MOSKOVSKIY KOMSOMOLETS for alleged insults published in Grachev's address.

Grachev told journalists he wanted to come to the hearings above all to "look at the defendants' faces and understand what they are guided by when they pour mud on me both as an official and a person." "They do not know me at all," he added saying he would like to "look at them, turn back and leave." "I do not care about what term of imprisonment, fine or reprimand they will be given," he added.

Grachev said he was ready to appear in the courtroom if the hearings were not turned into a "show or spectacle" with numerous journalists and people specially invited "to chant various slogans" against him.

Grachev 'Satisfied' With Tour of Missile Units

MM1804150995 Moscow KRASNAYA ZVEZDA in Russian 18 Apr 95 p 1

[Report by Aleksandr Pelts: "The Missile Troops Have Only One Goal—To Attain the Highest Level of Combat Readiness. On the Results of the Russian Federation Defense Minister's Working Tour of Strategic Missile Forces Units"]

[FBIS Translated Text] Final conclusions on the inspection of the Strategic Missile Forces will, of course, be left to the specialists. However, the general outline of these conclusions is already clear and gives full grounds to assert that the Strategic Missile Forces remain not only a reliable guarantor of the country's security, but also a major deterrent factor from the geopolitical aspect.

The latter assessment is especially important, since (Army General Pavel Grachev repeatedly drew the missile troops' attention to this) processes are taking place in the disposition of strategic forces which cannot help but be of concern to Russia. The NATO bloc's attempts to expand by incorporating East European states and its blatant military blackmail against Russia are increasingly obvious. In these conditions, Defense Minister Army General Pavel Grachev stressed, we proceed on the basis that Russia is a supercountry, possessing superweapons. And no one should forget this.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

During meetings with the personnel of many Strategic Missile Forces garrisons, Army General Pavel Grachev, Russian Federation defense minister, noted in particular the personnel's high combat morale. "The time of bewilderment, the time of gloom and uncertainty in the troops is over," he stressed. "I am satisfied that the missile troops are attuned for action, for excellent service. For me this is especially pleasing."

To be fair, it should also nevertheless be noted that the units and subunits of the Strategic Missile Forces do not find themselves in some special, exclusive, position. This especially concerns the social sphere of their life and activity. All—absolutely all—the difficulties and problems which the Army faces today are to be found here too. But people are not disoriented, they are looking for ways to resolve these problems at local level.

The combat training launch of the "Topol-M" missile at a unit near Plesetsk was a sort of climax to the tour of Strategic Missile Forces units by Army General Pavel Grachev, Russian Federation defense minister. The real heroes of the day here were Major Andrey Bakharev, Captains Andrey Trubin and Sergey Grishin, and Senior Lieutenants Viktor Rodionov and Igor Panteleyev. After the launch all the aforementioned missile troops officers received early promotion to the next rank.

"I am returning from my tour in a good mood," Army General Pavel Grachev noted. "Of course, the missile troops have much work ahead. But I am satisfied that they are attuned for action. And that means that they will be able to cope with their duties."

Expert on Failure of Topol Missile Launch

MK2004111095 Moscow SEGODNYA in Russian 20 Apr 95 p 9

[Report by Colonel Petr Belov, independent expert: "Topol Again Needs To Be Tested for Reliability"]

[FBIS Translated Text] I would like to express by sympathies to specialists from the Strategic Missile Forces over the "not quite successful" demonstration launch of the Topol missile on 14 April. What happened is extremely serious and unexpected. In effect the launch of the much touted missile apparently failed.

The probability of such a failure is less than in using missiles with liquid propellant rocket motors. The latter have considerably more pre-start operations: fuel tanks need to be supercharged, turbo-pumping installations started and brought to the requisite mode of operation, and fuel fed into combustion chambers. In other words, dozens of automatic ignition assemblies have to be engaged. By contrast, in this case only two to three activations would have been needed.

The reasons for the incident could be the breakdown of the combat control system in transferring the launch code program, a failure of the missile control system, or non-activation of one of the cartridge igniters. The latter is more plausible because it is impossible to test the performance of the cartridge igniter beforehand. As to the enumerated systems and other automatic components of the missile complex, they are always tested in advance. Especially before a public demonstration launch in the presence of journalists. Experience shows that such events are prepared extremely thoroughly, not as if it were a sudden, regular launch.

It is unlikely that the missile, which was launched successfully, had been taken off combat alert mode and retargeted at short notice. Combat equipment cannot be replaced so quickly. No doubt, both missiles were subjected to extensive pre-start tests. And despite this, one of the missiles failed. Nobody could believe this, and therefore the standby combat launch crew was not put on a high alert mode. This can account for the five-minute delay.

This instance will call for the most serious investigation. The well known basic shortfalls of mobile Topols—low viability, high costs, and the danger of exploitation in the regular operational mode—have been compounded by doubts about their combat readiness. It is not ruled out that the program for the development of our strategic nuclear forces will have to be reviewed. Paradoxically, the main emphasis is being placed on this type of missile, while other options have so far been persistently rejected by a military industrial complex grouping concerned.

The recent unsuccessful launch of the space version of this missile should not be included here. That was another system—more complex—and therefore more or less reliable. Moreover, experimental, i.e., not quite finalized. Comparison here is inappropriate. It is just like substantiating Topol's high reliability by citing the 72 successful launches of its predecessor—the SS-20 missile. They were also different—two-stage, unlike Topol—and therefore proven to be essentially more reliable.

In any event, the incident with the demonstration launch is our common problem. It will cost Russia dearly. It will be necessary thoroughly to check this type of missile on combat duty and maybe even to improve them, taking them off combat alert, which is extremely costly. Nonetheless, suppression of the incident will be even more costly because the country's defense capability is involved.

Lebed Threatens To Resign; May Run for President

AU2204161695 Paris AFP in English 1552 GMT 22 Apr 95

[FBIS Transcribed Text] Tiraspol, Moldova, April 22 (AFP)—General Alexander Lebed, regarded by observers as a possible presidential candidate, said Saturday [22 April] he had plans to resign from the army soon and pursue a political career. Lebed, an outspoken

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

critic of the brutal Russian military offensive in Chechnya, has a reputation for bluntness and is popular in the army.

He told AFP he was ready to stand in parliamentary elections scheduled for December but had not yet chosen a political party. He was non-committal about running for office in the presidential elections set for June 1996. A serving soldier could not engage in politics, Lebed stressed, but could do so once he went back to civilian life.

Lebed commands the 14th Russian Army based in the Russian-speaking breakaway Trans-Dniester region of Moldova. He said he had learnt from Defence Ministry officials that Defence Minister Pavel Grachev had ordered the disbanding of the 14th Army's headquarters and its transformation into a reserve unit.

"I don't intend to carry out this directive. I'll take appropriate steps to fight it and if they don't succeed I'll resign," Lebed said. If the order went ahead and he was consigned to reserve-unit status, Lebed said, he would "no longer have any intention of serving" in the army. The Defence Ministry said it was unaware of such a directive.

Earlier this month Lebed participated in a congress of Russian communities, held in Moscow, which brought together 700 delegates from 68 regions of Russia and Russian nationalists from Crimea, Ukraine and the Baltic republics.

The delegates called for the establishment of a new political organisation called the "Congress of the Russian People."

Kurchatov Aide on Nuclear Materials Control

MM2404143495 Moscow RABOCHAYA TRIBUNA in Russian 21 Apr 95 p 3

[Interview with Andrey Gagarinskiy, external relations director of the Kurchatov Institute Russian Scientific Center and secretary of the Nuclear Society, by correspondent Nataliya Korkonosenko in St. Petersburg; date not given: "The Nuclear Society Warns. Radioactive Materials Will Not Spread Across the Planet If Experts of All Countries Act Together"—first paragraph is introduction]

[FBIS Translated Text] St. Petersburg—An international conference of scientists and experts in the sphere of nuclear power from the EU, the CIS, and the Baltic countries has been held in St. Petersburg. It was devoted to questions of accounting and monitoring in the course of the storage and transportation of nuclear materials. The meeting was organized by the European Energy Foundation [Yevropeyskiy Energeticheskiy Fond]. The high level of representation from the CIS countries was supported by the participation of the Belarusian energy minister, the Armenian vice premier, officials from the relevant Russian ministries and departments, and experts from the independent nongovernmental organization, the Nuclear Society. Our correspondent in St. Petersburg met with Andrey Gagarinskiy, external relations director of the Kurchatov Institute Russian Scientific Center and secretary of the Nuclear Society, and asked him to answer a number of questions that interested RABOCHAYA TRIBUNA.

[Korkonosenko] Andrey Yuryevich, to what extent has the Nuclear Society in its present form taken on the functions of the former USSR Nuclear Society? How much have these functions changed recently?

[Gagarinskiy] The Nuclear Society is an international public movement with its headquarters in Moscow, whose main aim is to preserve the links between the nuclear workers of the former Union. And—more broadly—of Europe and the whole world, because the spread of the nuclear danger knows no borders. Together with the European Energy Foundation public organization, we have held two conferences: The first was devoted to problems of the safety of the former Union's nuclear power stations, while this one is devoted to questions of accounting and monitoring in the course of the storage and transportation of nuclear materials.

As you know, enormous attention has been devoted to questions of the safety of nuclear power stations since Chernobyl. Virtually all the nuclear reactors in the former USSR have been reworked to some extent: Their design has been changed and the level of external protection increased. In September-October I was at Chernobyl as head of a group of experts from the Kurchatov Institute—for our part, we were concerned with the construction of the sarcophagus over the damaged reactor at the power station and other problems to do with the trouble-free operation of the station. The situation there now is this: Although a new cover for the damaged reactor has to be built, this year will see the startup of the second power unit at the power station, which was closed after a fire in the machine room in 1992. You must understand that the Chernobyl AES [nuclear power station] accounts for 27 percent of Ukraine's entire capacity, and in the peak winter consumption period it provides a full 40 percent of the electricity.

This fact must be reckoned with, and we have tried to explain this to our foreign colleagues. The pressure from the West, demanding the closure of the Chernobyl AES, is unremitting, but no financial assistance is forthcoming from influential international organizations, as Ukrainian representatives are telling the IAEA [International Atomic Energy Agency]. The shutting down of the power station and associated work will cost $14 billion.

[Korkonosenko] In short, there is no alternative to nuclear power stations?

[Gagarinskiy] Precisely. And not only in Ukraine. In Armenia now the nuclear power station is being restored at a rapid rate; shutting it down was a mistake which had

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

tremendously serious consequences for the Armenian people: People were stuck without heat or light for several successive winters. Kazakhstan, where a comparatively significant proportion of the USSR's nuclear fuel cycle was concentrated, is also planning to develop this sector. That will include selling uranium to Russia and operating the unique research reactors that were used within the framework of the former Union's space program. The world temperature record achieved in a nuclear reactor is held by Kazakhstan. The vast uranium reserves in that territory offer promising opportunities for cooperation between Kazakhstan and Russia, where the most science-intensive production facilities in the nuclear energy sphere are concentrated. Nuclear power stations will also be on the increase in Russia itself.

In this connection a problem that was previously only secondary for us—that of monitoring the storage of nuclear materials—becomes many times more complex and acquires special significance.

[Korkonosenko] What has exacerbated this question on CIS territory?

[Gagarinskiy] The crisis in politics and the economy. The "transparency" of borders. The paralysis of power at all levels, with theft becoming a regular trade, practiced with impunity.

In the past two years 18 cases of the theft of uranium materials, including highly enriched uranium-235, have been recorded in Russia.

[Korkonosenko] For the past year Europe's newspapers have been full of sensational reports on the leakage of plutonium from the laboratories of...the Kurchatov Institute, discovered in Germany. What is your view of the "Russian connection" in this story?

[Gagarinskiy] Yes, according to press reports German specialists have on four occasions since May 1994 detained couriers trying to transport plutonium and uranium (weights from 0.8 to 350 grams). However, the system for the safekeeping of nuclear materials in our institute has four levels of protection. The Kurchatov Institute Russian Scientific Center is currently developing a new system for accounting and monitoring of nuclear materials which is fully in accordance with the latest international demands.

Russian specialists have thus far had no opportunity to analyze samples of the stolen materials, and consequently they do not have the information that would enable them to construct a thesis on the possible origin of these materials—there are no grounds to agree or disagree with Western experts' conclusions on the leakage of nuclear materials from our institute.

In general, the problem of monitoring in this sphere is manifestly an international one, and can only be successfully resolved given coordination and collaboration among experts from many countries. The Nuclear Society plans to raise this problem at a session of the Interparliamentary Assembly. The Interparliamentary Assembly could act simultaneously as an instrument and a guarantor of monitoring in the course of work with nuclear materials on the territory of the CIS and outside it.

Federal Assembly

Duma Resubmits Election Law Package

MM2104161495 Moscow IZVESTIYA in Russian 22 Apr 95 p 1

[Report by Sergey Chugayev under the "From Our Correspondents and News Agencies" rubric: "The Duma Tries To Get Around the Upper Chamber's Veto"]

[FBIS Translated Text] The State Duma made an attempt 21 April not to overcome but to get around the veto imposed by the Federation Council on the laws adopted by the lower chamber on elections of the president and Duma deputies. The laws' authors suggested that their colleagues employ this maneuver: consider the laws in a new version, as it were, in three readings at once, taking the Federation Council's comments and amendments into account. The Duma deputies supported the idea and adopted the laws. At the same time the majority of the upper chamber's amendments were rejected. The upper chamber now has to consider the laws on elections once again, our correspondent Sergey Chugayev has reported.

Package Passed, Amendments Rejected

MK2204093095 Moscow SEGODNYA in Russian 22 Apr 95 p 1

[Report by Aleksey Kirpichnikov, Gleb Cherkasov under the "Elections" rubric: "State Duma Passes Election Laws Upon Agreement With a Blank Spot. Federation Council To Be Formed According to U.S. Standards"]

[FBIS Translated Text] Eager to approve their laws as soon as possible, Duma members have tried an unconventional tack. Stopping short of overriding the Federation Council's veto of the draft laws on Duma and presidential elections by two-thirds of the vote, the deputies resorted to a delicate manipulation and voted for a text that had allegedly been approved by both chambers, even though the signature block for the conciliation commission chief remained blank.

The Duma rejected virtually all amendments to the law on its election. The ratio of deputies elected in majority districts and on party tickets—225:225—remained unchanged. A proposal for raising the plank for party lists to enter the Duma from 5 percent to 10 percent also did not meet with understanding. Amendments banning candidates nominated by electoral associations in single-seat districts from being entered in federal election lists, and also the proposal that those running on party tickets

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

raise signatures to be registered the same as independent candidates, were not supported either. The system of vote counting stays the same: A candidate who wins a simple majority, not [more than] one-half of the votes of those who have turned out, will be considered to be the winner. The slashing of the number of a candidate's proxies was forestalled. The only provision on which Duma members agreed with the senators was entrusting the Central Electoral Commission [CEC] with the powers to call elections should the Russian Federation president "for any reason fail to exercise this right of his."

A similar amendment was made to the law on presidential elections. In case the Federation Council fails to call them on schedule, the Duma proposed that the CEC be entrusted with determining the election date, while the Federation Council proposed that it be firmly set for a specific date. As a result, "elections shall be conducted by the CEC" "on the first Sunday of the fourth month following a month in which a presidential term expires" or "on the last Sunday before the expiry of three months from the date of impeachment of the president."

Quantitative standards were also touched upon: the number of initiative group members required to nominate a candidate; the number of signatures for his registration; and the turnout required for the first round of elections to be deemed valid. As a result, the former standards were retained: 100 people to set up an initiative group and a 50-percent turnout for the first round. But the number of signatures for an official registration was lowered from 1.5 million to 1 million.

The last approved correction regards the procedure for changing presidents. Under the Constitution, upon being sworn in the president-elect embarks on "exercising powers" and the outgoing president ceases doing so. Under the first Duma draft, the president "shall be inaugurated" on the 30th day after the official results of the elections are announced—that is, the commencement of "exercising powers" and "the inauguration" may occur at different periods of time. At the Federation Council's insistence, an addition was made to the effect that the outgoing president carries out his duties till the president-elect is sworn in. Thus the "inauguration," which is absent from the Constitution, was sort of equated to the commencement of "exercising powers," which rules out the Constitutional Court's possible objections.

Also yesterday, a law on the procedure for forming the Federation Council was unveiled for the first time, in as many as five drafts at that. Under the draft proposed by the head of state, in each Federation component one Federation Council member will be elected by the legislature, and the other appointed by the executive branch.

In the draft drawn up by committees, local bodies of the representative branch will only nominate candidates for the Federation Council who will be elected by the entire population in districts.

As a result, the deputies flatly rejected German practice, in which the upper chamber is made up of ministers of land governments, even in the diluted version of the presidential draft, and unequivocally approved a concept for electing the Federation Council modeled on the U.S. Senate.

This concept is, no doubt, more democratic, but it raises serious fears as to its compliance with the Constitution, which provides for different principles of "electing" the Duma and "forming" the Federation Council.

Forged Nominations for Two Candidates Discovered

LD2204142295 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] MOSCOW, April 22 (Interfax)—72 lists with 673 signatures, collected to nominate Aleksey Vedenkin to the State Duma from the 107 Kolomenskiy district, have been falsified by his canvassers. 71 lists with over 600 signatures in support of yet another candidate Elena Mavrodiy, a model, have also been rigged.

As Anatoliy Irgashev, chairman of the 107 district electoral commission reported to Interfax on Saturday, the phoney lists had been sent to the Prosecutor's Office in Kolomna (a town in the Moscow area) for action in line with clause 109 of the Federal Penal Code, Irgashev said.

Nonetheless, Elena Mavrodiy received her certificate of a candidate to the State Duma on Friday. Vedenkin got his certificate on Thursday.

According to Irgashev, "the validated signatures were enough for nominating Mavrodiy and Vedenkin" to the lower house of the Russian Federal Assembly.

Both contest a Duma seat, made vacant after the murder of the deputy Sergey Skorochkin.

Elena Mavrodiy (wife of the State Duma deputy Sergey Mavrodiy, president of the MMM company) now leads the MMM Social and Charity Department.

Aleksey Vedenkin, calling himself a deputy chief of the Russian National Unity organization, was earlier charged with "a threat to kill", punishable by the clause 207 of the Federal Penal Code. Appearing on Russian TV in a program devoted to the history of Russian fascism, Vedenkin promised to execute Duma deputies Sergey Yushenkov and Sergey Kovalyov, should he come power.

After confinement to the Lefortovo prison from March 1 to 23, Vedenkin has been released on bail, pending a trial. On April 19, his case was sent to the Khamovnicheskiy court in Moscow.

Paper Plans To Publish Voting Records

954F2116A Moscow ARGUMENTY I FAKTY in Russian No 16, Apr 95 p 2

[Unattributed report under the rubric "Political Medley": "ARGUMENTY I FAKTY Exerts Influence"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] In its previous issue, ARGUMENTY I FAKTY published the material **"Who Voted for War?"** which listed 56 State Duma deputies who had voted on 6 April against the law on political settlement of the crisis in the Chechen Republic. [For a translation of this article, see page 32 of the FBIS DAILY REPORT: CENTRAL EURASIA, FBIS-SOV-95-072, dated 14 April 1995.]

This material had a simply magical impact on the results of subsequent vote on this issue, which was held on 12 April.

It was perhaps after perusing the freshest issue of the newspaper that the deputies showed so much greater unanimity in supporting the process of political settlement of the Chechen crisis.

Here are the results: 280 deputies voted "for" (228 during the first vote), one abstained, and only one voted against.

Interestingly, the Liberal Democratic Party of Russia faction, which had voted in concert against the law in the first reading, this time, equally in concert, did not participate in the vote—the elections are near, after all.

From the editors: ARGUMENTY I FAKTY intends to continue publishing by name the results of State Duma and Federation Council deputy voting on the most important draft laws.

Law Adopted on Transfer of State-Owned Shares

LD2104221095 Moscow ITAR-TASS World Service in Russian 1353 GMT 21 Apr 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Excerpt] Moscow, 21 Apr—The draft federal law "On the order of transferring shares (packets of shares) belonging to the state, and using federal property objects as part of ownership capital for economic associations and societies," has been adopted today in the first reading by the Russian Federation State Duma. [passage omitted]

At the same time, the draft law defines the type of activities the transfer of shares (packets of shares) of which and the use of which as ownership capital is sanctioned by the Federal Assembly. These are the production of electricity and services for its transfer, the extraction, processing, and sale of oil, natural gas, gas condensate, and coal, transport by air, rail, river, sea, and pipeline, the services of transport terminals, ports, and airports, the mining and processing of valuable metals, precious and semi- precious stones, radioactive and rare earth elements, nonferrous metallurgy, the development, production, and maintenance of armaments, military, space and aircraft technology, munitions and explosives, state research centers, scientific research organizations and drawing and designing bodies, nontrading bodies, chemistry and biotechnology, the electronic industry, atomic engineering and communications, as well as information agencies and state radio and TV bodies.

Duma Fails To Pass Law on Rights Commissioner

LD2104145895 Moscow INTERFAX in English 1242 GMT 21 Apr 95

[FBIS Transcribed Text] MOSCOW, April 21 (Interfax)—The State Duma has failed to pass after the second reading the law "On the Human Rights Commissioner in the Russian Federation" at its session Friday. There was a clash between two deputies.

At speaker Ivan Rybkin's proposal at its afternoon session the lower house began to reconsider the bill, which fell short of 28 votes in the morning session due to the position of the Liberal Democrats [LDP].

Their leader, Vladimir Zhirinovskiy, said that the LDP faction would not vote for the bill in protest against the Duma's decision to bar its member Vitaliy Zhuravlyov from sessions for one month.

The measure was taken when Zhuravlyov manhandled Communist faction member, chairman of the procedural commission Vladimir Bokov, in the conference hall.

Bokov said that at the afternoon session Zhuravlyov demanded he be given the electronic voting card of deputy Nikolay Lysenko, who has been banned from sessions until the end of April for defiling the Ukrainian flag.

At Ivan Rybkin's proposal Zhuravlyov presented public apologies to Bokov and the Duma canceled its previous resolution banning the LDP deputy from sessions.

After that Rybkin put to the vote the law on the human rights commissioner again, however, the returns were again unfavorable. Vladimir Zhirinovskiy then said his faction would vote for the bill if a specific candidate to the post were nominated at once. He said that the LDP was prepared to name such a candidate.

Zhirinovskiy's proposal was supported by 138 votes in contrast to the required minimum of 226 and Rybkin removed the bill from the agenda.

Duma Adopts Decree on Defense Order 'In Principle'

LD2104182195 Moscow INTERFAX in English 1609 GMT 21 Apr 95

[FBIS Transcribed Text] MOSCOW, April 21 (Interfax)—On Friday Russia's State Duma adopted in principle the decree "On the State Defense Order," now to be forwarded to the Federation Council for consideration. A total of 265 deputies voted for its adoption (226 votes were needed), 18 against, four abstentions.

At the same time, several deputies believe that the mechanisms for the federal state power bodies to devise

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

a defense order stipulated in this decree "completely excludes civilian control over arms production on the part of the president, Federal Assembly, and Calculations Chamber." This statement was drawn up by State Duma deputies, Deputy Chairman of the Defense Committee Aleksandr Piskunov (Rossiya group) member of the transport, power engineering, and communications committee Anatoliy Guskov (Stability group) and member of the budget committee Svetlana Orlova (Russia's Women faction).

In their opinion, implementation of this decree will lead "to a sharp increase of prices for defense production and irrational utilization of assets allocated for defense." The authors of this statement believe that the adopted decree contradicts the acting decree "On Defense" because it removes the responsibility "for equipping the armed forces for the necessity of fulfilling their military tasks" from the Defense Ministry.

Duma Adopts Resolution To Combat Tax Evasion

LD2104174095 Moscow ITAR-TASS in English 1611 GMT 21 Apr 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—"The Russian Government and the law-enforcement bodies have failed to ensure reliable protection of state interests from illegal actions of juridical and physical persons related to the exports of valuables and capital," says a resolution of the State Duma elaborated by Chairman of the Duma Committee for Security Viktor Ilyukhin and adopted by the Duma today.

The Russian prosecutor General's Office is instructed to immediately institute criminal proceedings on tax dodging and hold a preliminary investigation to reveal persons guilty of these crimes, as well as to take immediate measures to return exported capitals, compensate the damage to the state and bring the culprits to responsibility.

Duma Ratifies Treaty on Renting Baykonur

LD2104133595 Moscow ITAR-TASS in English 1245 GMT 21 Apr 95

[By Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—The treaty between the Russian Government and the Government of Kazakhstan on the renting of the Baykonur complex by Russia has been ratified by the State Duma on Friday.

Under the treaty, Russia rents the Baykonur complex in full volume for 20 years and exercises the right to movable property and real estate, created or purchased by Russia or supplied for Russia to the Baykonur complex after August 31, 1991. It also exercises the right to products and income received as a result of its use, has the guarantee of taking to and from the cosmodrome space equipment and equipment necessary for ensuring the functioning of the complex without obstacles, free of tax and other duties.

In addition, Russia, in accordance with the treaty, ensures jurisdiction regarding servicemen and civilian personnel, stipulates regulations, ensures security, a special regime and protection of the baikonur complex and has the opportunity to cancel, on a compensation basis under an agreement between the Governments of Russia and of Kazakhstan, part of the rent amounting to 115 million U.S. dollars annually.

Regional Affairs

Reportage, Commentary on Situation in Chechnya

Passenger Flights Resume From Groznyy

LD2004091495 Moscow ITAR-TASS World Service in Russian 0844 GMT 20 Apr 95

[By Sharip Asuyev]

[FBIS Translated Text] Groznyy, 20 Apr (TASS)—Civilian flights from Groznyy airport have resumed. After an eight month interruption, the first passenger plane left the Chechen capital today for Rostov-on-Don. Tickets for the flight, which will run twice a week, cost 159,000 rubles.

There is a strong presence of Russian troops at the airport and a system of strict admission checks, which is currently creating additional difficulties for passengers. However, airport workers are confident that Groznyy airport will soon resume passenger flights in full.

Health Care Being Restored in Chechnya

LD2004201695 Moscow INTERFAX in English 1759 GMT 20 Apr 95

[FBIS Transcribed Text] MOSCOW, April 20 (Interfax)—The system of health care destroyed under the Dudayev regime and during the hostilities is being gradually restored in the parts of Chechnya under the control of federal troops, Interfax was told by the press center of the Federal Health Ministry Thursday.

Three hospitals, seven out-patient clinics for adults and four for children, one maternity hospital, a pharmacy and 23 first aid posts are functioning in Groznyy. Local doctors and nurses, having returned after evacuating Groznyy, are working there. Three specialized clinics will soon open: for treating infectious diseases (60 beds), tuberculosis (100 beds) and mental disorders.

Physicians from Moscow and other parts of Russia continue to see patients at a mobile hospital of the Health Ministry. During the past 24 hours it received 39 persons: three wounded and 36 sick.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Since the beginning of hostilities last December Health Ministry specialists have offered assistance to 26,202 people: 2,063 wounded and 24,139 sick.

Rail Traffic via Chechnya Restored

LD2104124095 Moscow ITAR-TASS in English 1130 GMT 21 Apr 95

[FBIS Transcribed Text] Moscow April 21 (ITAR-TASS)—Railway traffic was restored in Chechnya Friday and the first cargo train with 55 cars left early in the day from Mineralnye Vody for Dagestan along the northern railway route in Chechnya.

At 11.15 hours Moscow time (07.15 GMT) the train passed the Chervlyonnaya station in Chechnya and the restored bridge over the Sundzha river.

At 13.00 hours Moscow time the train crossed the Chechen border with Dagestan and is now moving to Azerbaijan, a spokesman of the Russian Railway Ministry told TASS.

Traffic along the northern Chechen railway track, used by Russia to ship cargoes to Trancaucasia, was disrupted in September 1994. Railways by-passing Chechnya and a ferry in the Caspian Sea had to be used to deliver cargoes to Dagestan and Azerbaijan. Cargo transportation reduced to three per cent of the required capability and its price skyrocketed.

The Railway Ministry said restoration work at Chechen railways and facilities is in full swing.

Search for Missing American Continues

LD2104162595 Moscow ITAR-TASS in English 1501 GMT 21 Apr 95

[By Mikhail Karlov]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—The search for U.S. Specialist in rescue operations Frederick Cuny has been on since April 9 in Chechnya, the head of the Russian office of the International Scientific Soros Fund told a news conference here today.

There have been unverified reports claiming that the rescuer got into a fire exchange or was detained by unidentified persons together with the accompanying officials. The specialist was entitled to ensure equal distribution of humanitarian aid between ethnic Russians and Chechens. He was also organizing a laboratory in order to prevent a possible cholera epidemics, represented the Soros Fund in assistance to Groznyy residents who had returned home and helped to restore water supply in the Chechen capital. The two-meter-tall Texan, 50, has participated in rescue missions in over 30 states.

The U.S. State Department has repeatedly inquired about his fate from the Russian Ministries of Foreign Affairs, Interior and emergency Situations but they said they do not know anything. The Americans have not gotten in touch with Chechens. A letter of U.S. Deputy Secretary of State Strobe Talbott to the Soros Fund says they hope that the Russian authorities will do their best to find Frederick Cuny.

Southern Group Reaches Dagestan Border

LD2104172895 Moscow INTERFAX in English 1711 GMT 21 Apr 95

[FBIS Transcribed Text] Mozdok, April 21 (INTERFAX)—Federal troops have reached the administrative border between Chechnya and Dagestan to the east of Gudermes, a representative of the joint command told INTERFAX today.

He said federal troops continued moving towards the south "developing the success."

As a result of an operation control was established over more than 15 Chechen population centers on the border with Dagestan.

The joint command's press center said the operation was a success "devoid of serious fighting or casualties."

The same source said the majority of population centers had been freed from militants through talks. The Russian Interior Ministry troops who carried out the operation did not lose a single servicemen over the last three days.

Dudayev militants are still being subject to fire from federal troops near the Serzhen-Yurt Village (40 kilometers to the southeast of Groznyy).

Interior troops suffered two dead two wounded during the last day on the western direction in the mountains near the Bamut Village. Interior troops neutralized a grouping of militants near Bamut, the same source said.

Interior troops have lost a total of 19 people around Bamut, the same source said. According to Chechen sources, several dozen Russian servicemen have been killed there.

Russian troops have suffered 1,518 dead and 4,991 wounded since the beginning of military actions in Chechnya, the federal command said. A total of 200 people are missing.

Moscow Pushes To End Conflict by 9 May

LD2204164495

[FBIS Editorial Report] Moscow NTV in Russian at 2000 GMT on 21 April broadcast a six-minute report by "Segodnya v Polnach" presenter Aleksandr Shashkov, in which he says: "Russian Prime Minister Viktor Chernomyrdin has confirmed the readiness of the Federal Government to enter into the negotiations on the unconditional cessation of the hostilities with the command of the armed formations opposing the Federal Troops in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Chechnya. Furthermore, Viktor Chernomyrdin has guaranteed amnesty to the Chechen militants. On 21 April, ITAR-TASS observer Tamara Zamyatina foretold the end of the fighting in Chechnya, linking it with the Kremlin's promises to Western leaders who will be here for the celebrations of the 50th anniversary of the victory. The same day, the president's team said that Boris Yeltsin had given no instructions to this effect, but on Friday the journalist's forecast was confirmed."

Shashkov goes on to say that Tamara Zamyatina and Mark Urnov, head of the Analytical Center under the president of Russia, have agreed to take part in the program. Tamara Zamyatina, captioned as an ITAR-TASS observer, says that many were expecting that such an unorthodox decision on Chechnya would be taken on 20 or 21 April, and added: "Many facts support this hypothesis. Let us recall that the European leaders and U.S. President Bill Clinton had serious reservations before accepting Boris Yeltsin's invitation to come to Moscow for the festivities of the 50th anniversary of the victory. I learned via diplomatic channels that, while extending invitations to the leaders of the Western States, certain promises and guarantees were given to them that fighting will be stopped in Chechnya around the 15th or 20th April."

Dmitriy Urnov, who is shown speaking next, says that the move is in line with the policy of the Russian Government that is trying very hard to conduct negotiations with Chechnya, but all attempts have been disrupted by Dudayev.

Chechen Parliament Appeals to Russian MPs

LD2204055795 Moscow Radiostantsiya Ekho Moskvy in Russian 0500 GMT 22 Apr 95

[FBIS Translated Text] The Chechen parliament has appealed to Russian MPs to help settle the conflict peacefully. Chechen parliament head Akhyad Idigov believes the two sides could well come to an agreement.

[Begin Idigov recording] Numerous meetings at parliamentary and government levels have demonstrated that a compromise is possible, provided both sides show good will. However, the party of war, a sworn enemy of compromise, has put us face to face with the danger of a new war in the Caucasus that could last for many years. The parliament of the Chechen Republic-Ichkeria is now appealing to the Russian people's deputies to show good will and to resolve the issue of relations with the Chechen Republic-Ichkeria by peaceful means. For our part we, as deputies of the Chechen Republic-Ichkeria, are ready for this at any time. [end recording]

Federal Troops Disarm Illegal Units in Bamut

LD2204141395 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] MOSCOW, April 22 (Interfax)—Tensions in Chechnya remain high. Federal troops continue their operation designed to disarm illegal formations in the population centers of Bamut, Orekhovo and Valerik, the public relations center of Russia's Interior Ministry told Interfax on Saturday.

According to the center, during their "special operation the Interior Ministry troops and Russian army units reached Chechnya's administrative border with Dagestan."

Railway communications with Dagestan and Trans-Caucasus republics have been restored.

According to the center, a conference on ways to reach national reconciliation continues in Groznyy. Its main issue is elections to the republican and local government bodies.

In a message to participants in the conference forwarded on Friday Russia's Prime Minister Viktor Chernomyrdin said that his government guarantees an amnesty for those members of illegal formations who did not commit grave crimes. The militias who lay down their arms "will not be persecuted."

The message also says that Russia's government is willing to enter into talks with field commanders on stopping military actions "without any preliminary conditions."

Federal Troops Continue To Shell Bamut

LD2204144095 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] NAZRAN, April 22 (Interfax)—Federal troops continue to periodically shell positions held by the Chechen militias in a suburb of the village of Bamut in the south-west of the republic. Interfax's correspondent reports that at about 9 a.m. on Saturday four Russian helicopters made a raid on Bamut.

So far the Federal troops are not engaged in vigorous offensive operations. Exchanges of fire take place from time to time.

In the meantime in an interview given to Interfax in Nazran, Federation Council member Pavel Shtein condemned Russian aircraft for shelling the village of Arshtiy in Ingushetia located near the border with Chechnya, as a result of which three women died. "This is a consequence of impunity cultivated in this country, primarily toward the power structures," Shtein said. According to him, it is illegal to use armed forces in the territory of a member of the Russian Federation—Ingushetia—the federal authorities have no grievances against.

As he said, "the so-called incidental shellings, as a result of which civilians in Ingushetia die, are not conducive to stabilizing the situation or strengthening the federal authorities' prestige there."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In a statement of protest issued after the shelling of Arshtiy Ingushetia's President Ruslan Aushev warned that he reserves the right to appeal to the world community if "such criminal actions" take place again.

Rail, Auto Traffic Resuming

LD2204143995 Moscow ITAR-TASS in English 1424 GMT 22 Apr 95

[FBIS Transcribed Text] Moscow, April 22 (ITAR-TASS)—Railroad and car traffic is being restored in Chechnya, reports the Russian Government press service.

Regular railroad traffic has been restored at the Gudermes-Groznyy and Gudermes-Prokhladnyy routes. Commuter trains between Yermolovskaya and Khankala are available three times a day. The railroad traffic on the Groznyy-Makhachkala route will be open on April 23. The cargo stations of Aldy and Groznyy have become operational. Aldy has received 130 train cars. The motor bridge across the Znameka river has been restored.

The appeal of the state commission for restoration of Chechen economy and social sphere to 20 regions of the Russian Federation with a request for construction materials for building apartments in Chechnya and participation of regional representatives in city cleaning has brought the first results.

The Tula region has sent humanitarian aid to Chechnya. The Tula column includes trucks and cranes that be will used for cleaning Groznyy from debris for two weeks.

The Voronezh regional column is expected to arrive in Groznyy on April 22.

No Combat in Bamut, Orekhovo Areas 22 Apr

LD2204192195 Moscow ITAR-TASS in English 1910 GMT 22 Apr 95

[By Mikhail Shevtsov]

[FBIS Transcribed Text] Khankala, the Chechen Republic, April 22 (ITAR-TASS)—No combat operations in the area of Bamut and Orekhovo populated localities were held today in accordance with the agreement on transportation from the Bamut suburbs of dead bodies of interior troopers killed on April 18. A total of 19 bodies were transported from the area today in exchange to 16 Chechen prisoners.

Sources at the federal troops headquarters told ITAR-TASS today that interior units supported by the army reached the Chechen- Dagestan administrative border today. The resistance of 100-150 militants resulted in the federal troops' decision to pursue them on Dagestan territory. This was done on coordination with the Dagestan authorities. No federal casualties were reported from the area.

Federal troopers acting in central Chechnya today blocked possible areas of militants' penetration into lowlands and Groznyy. Positions of the 506th Motorized Infantry Regiment were shelled by militants from mountains on Friday night five kilometers south-east of Shali near the populated locality of Serzhen-Yurt. One servicemen was killed and three wounded. Artillery shelling destroyed the militants.

According to military sources, night shelling of commandant's office in Staropromyslovyy and Gorodskoy districts has increased in the past two days.

Federal Troops Shell Yandi 23 Apr

LD2304113395 Moscow ITAR-TASS World Service in Russian 1105 GMT 23 Apr 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 23 Apr—The small village of Yandi in the foothills zone in the west of Chechnya was shelled this morning. An ITAR-TASS correspondent saw tanks of the federal forces deployed on the outskirts of the village open fire over open sights. Clouds of smoke and fire rose up above Yandi.

In conversations with an ITAR-TASS correspondent, inhabitants of the neighboring village of Achkhoy-Martan expressed dissatisfaction with the actions of the federal troops and of Dudayev's fighters, and also at the nonintervention of Salambek Khadzhiyev's government.

The village of Bamut was also shelled.

Sixteen Federal Troops Killed

LD2304184595 Moscow ITAR-TASS World Service in Russian 1701 GMT 23 Apr 95

[By ITAR-TASS special correspondent Mikhail Shevtsov]

[FBIS Translated Text] Gudermes, 23 Apr—Dudayev's fighters staged a series of provocations against federal troops in Chechnya on Orthodox Easter. They attacked a sub-division of internal troops and surrounded it from every side near the village of Alleroy, not far from the town of Gudermes, early this morning. A fierce battle with the enemy's superior forces went on for four hours. After reinforcements arrived and artillery and air strikes were delivered, the fighters were destroyed.

A similar provocation against internal troops took place in the town of Gudermes today. Fire was opened on a rear sub-unit of internal troops from firearms and grenades thrown from house windows about 1100 [0700 GMT] in the morning. Simultaneously, motor vehicle convoys of rear services support were fired upon in other parts of the town.

According to the information available to an ITAR-TASS correspondent, who is in the area, by 1900 federal

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

troops have had 16 people killed and over 30 wounded near Gudermes and Alleroy.

The command of the joint grouping of the federal forces in Chechnya estimates that the actions of the militants are aimed at breaking any accords on halting combat actions. It was precisely in the Gudermes and Shali districts that the federal troops did not go into the populated areas and did not shell them at the request of the elders and heads of local administrations, trusting assurances that the militants would not be allowed into the villages and that firearms would be surrendered voluntarily.

According to information from military sources, there were clashes today between militants and the federal troops also in the area of the populated point Orekhovo, several kilometers to the east of Bamut. Also today, ground attack aviation destroyed two warehouses with ammunition, which belonged to the illegal armed formations, in a mountainous area five to seven kilometers south of Bamut.

Sakha 1995-1996 Development Prospects

954F2019A Yakutsk RESPUBLIKA SAKHA in Russian 7 Mar 95 p 2

[Statement by R. Burnashov, deputy chairman of the Government of the Sakha (Yakutia) Republic: "Yakutia: Old Problems, New Approaches—Main Orientations of Socioeconomic Policy in the Republic for 1995-1996"]

[FBIS Translated Text]

1994 Results

Despite the fairly optimistic assessments and projections of the situation which abound (including in official circles), 1994 unfortunately did not bring the expected turning point in the development of reforms and improvement of the socioeconomic situation in the country.

The decline in production volumes now continuing in its fifth year, elimination of many enterprises, especially in the processing sectors, and the acquisition by Russia's economy of an increasingly raw-material nature show that we are still a very long way from realizing any positive movement with respect to macroeconomic stabilization.

Inflation remains the central problem of the country's present and near-term future. The sadly infamous Black Tuesday—11 October of last year—rid us of any illusions regarding the state's ability to suppress high rates of inflation and maintain a moderate rate. The surge in price increases at the end of last year significantly damaged the financial state of enterprises and the material well- being of the populace. The high level of inflation has continued into the beginning of this year—from 15 to 18 percent in January according to various estimates, and 12-14 percent in February.

The decline in the sphere of investments has been extremely acute. Capital stock is aging rapidly and the country's industrial potential is sharply diminishing. Crossflow of capital is not secured between the sphere of circulation and production, and there is no serious undertaking to extricate the country from crisis and effect a transition to an improving economy.

The payments crisis is intensifying, and the circle of enterprises and sectors paralyzed by it is expanding. Social consequences of deteriorating payments discipline are finding their expression in massive, lengthy delays in the issue of wages, sharp reduction in taxes and other payments to the budget and off-budget funds, and as a consequence—the curtailment of financing for state social programs and payments.

Finding ourselves in the same economic space as the Russian Federation and having a fairly close dependence on the economic, monetary, and credit policy being carried out by federal organs, it would be unrealistic to presume that the negative socioeconomic processes and trends observed in Russia's current activity will bypass our republic.

Tremendous efforts have been required on the part of the president, government, and directors of major enterprises in order to maintain the production dynamics of key sectors of our republic's economic complex. We succeeded last year in increasing industrial production volumes by 1 percent, or 69 billion rubles [R]. Of 142 main varieties of industrial production taken into account in official statistics in 1994, we managed to increase or at least maintain production levels for 62 (44 percent of the total; for the Russian Federation, this index is just 5 percent). Sectors fundamentally new to our republic—the diamond processing industry, jewelry manufacture, oil extraction and refining—have become significantly stronger and are growing dynamically. Their share of the total production volume is still not very great, but their high rate of growth—by a factor of 1.3 to two annually—provides a basis for believing that it is these sectors in the not too distant future that will be determining Yakutia's economic state to a great extent.

Significant growth was observed in 1994 in the production volumes of enterprises of the electric power, gas, and diamond-extraction industries.

Certain indicators of stabilization have been noted in the construction sphere. The total volume of state capital investments for the construction of production and nonproduction facilities in 1994 amounted to R863.4 billion and several hundred million U.S. dollars. In this regard, there has been a significant increase in the proportion of construction attributable to housing and the social sphere, brought about by the need to accelerate elimination of the profound lag the republic has come to experience in these areas over many decades. The government kept its overall priorities in the investment sphere. Over the past three years, R45.5 billion of republic assets alone were invested in construction of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Berkalit-Tommot-Yakutsk Railroad (plans called for R26.7 billion), R76.1 billion—for construction of the third phase of the Vilyuysk Hydroelectric Power Plant (R78.5 billion planned), and R46.7 billion—for construction of a main water pipeline for districts situated on the other side of the river (R18 billion planned).

Social and economic problems of the Yakut village are constantly at the center of attention of the republic leadership. Many of these problems remain unresolved, unfortunately, and are actually intensifying, but amounts of state financial support to the rural populace are increasing annually, despite the universal shortage of funds. Thus, R541.7 billion was directed in 1994 solely towards the provision of support to agricultural production—without taking into account expenditures to finance facilities in the social sphere, housing and municipal services, or the implementation of social programs in rural localities—in the form of compensation payments for production output, various forms of tax and price benefits, and capital investments. This is significantly greater than the level for all prior years. The fundamental orientation here was on accelerated construction of production infrastructure facilities in the village. For example, R26.5 billion was directed in 1994 towards construction of water facilities, R23.4 billion—for gas facilities, and R45.3 billion—for electricity.

During the period of transition from a planned-distribution economy to a market economy, the republic leadership devoted and continues to devote special attention to providing the necessary social protection and social guarantees to the republic populace.

Special state programs providing social support to various categories of the populace have been developed and are being implemented on a fairly stable basis. These programs involve the provision of employment, attention to problems of the family and young people, education, health care, and culture.

Some R1.6045 trillion in budgetary assets all told (or 57 percent of budget outlays) were allocated in 1994 to support the functioning of the republic's social sphere, in addition to R481 billion from state nonbudget funds.

Monetary income of the republic population in 1994 amounted to R4.050 trillion, a 4.1-fold increase over 1993, while the consolidated consumer price index over this period was 258 percent (a 2.6-fold increase). The amount of real wages, calculated taking the consumer price index into account, increased 13 percent in December 1994 over the level for the same period in 1993.

The share of monetary income of the populace attributable to social payments is increasing—about 15 percent in 1994 as opposed to 10 percent in 1992. The total amount of social payments to the republic populace over the past year amounted to more than R602 billion.

A characteristic peculiarity of the balance between monetary income and expenditures of the population is the growth at galloping rates of amounts of investments in securities, real property, and banks. In 1994, expenditures for the purchase of goods and services amounted to just 57 percent of population income, while the total amount by which income exceeded all expenditures surpassed the trillion ruble mark, which is equivalent to 44 percent of the total income of the republic's consolidated budget.

Substantive positive shifts took place in 1994 with respect to foreign economic activity, institutional transformations, the state securities market, the intensification of entrepreneurial activity, and the formation of a new economic thinking in the minds of economic leaders and the populace.

Basic Problems in the Current Socioeconomic Situation of the Republic

Despite all our efforts and actions, the situation in the social sphere and economy of the republic continues to be extremely adverse. Moreover, beginning the second half of last year, clear negative trends and processes have been noted and are intensifying. Unless these are eliminated, any rehabilitation of the economy—and consequently, resolution for our many social problems—is inconceivable.

I am referring primarily to the sharp deterioration in the financial situation of the absolute majority of republic enterprises. Some 55 percent of industrial enterprises ended 1994 with losses, as did 70 percent of agricultural enterprises, 66 percent of transportation enterprises, 55 percent of trade and supply enterprises, and 21 percent of construction enterprises.

Whereas on the whole throughout the republic, enterprises operating at a profit generated profits amounting to R1.955 trillion, R1.140 trillion—or 58 percent of this amount—was "eaten up" by unprofitable enterprises and production facilities. We may make the entirely justified prediction that unless we undertake radical measures this year, more than 90 percent of all profit in the republic will be obtained by a single joint-stock company—Diamonds of Russia-Sakha. In the best case, all the remaining enterprises and sectors will eat up their income; in the worst case, they will "settle" on the budget.

No less than 30 percent of all the unprofitable enterprises are clearly in a state of hopeless bankruptcy. They are presently not paying taxes, not settling accounts with suppliers for production and services, and are paying wages to their employees mainly out of borrowed funds.

The sharp deterioration in the financial state of enterprises and their massive shortages of money have engendered a nonpayments crisis which is today suffocating the economy and paralyzing newly emerging enterprises and sectors, including those that are life- sustaining. It is putting viable and hopeless enterprises in the same basket.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

As of 1 January 1995, the total amount of nonpayments in the republic came to R8.789 trillion, a 5.5-fold increase as compared with the beginning of last year. Whereas at the outset of 1994, the average solvency of industrial enterprises was 76.1 percent, at the end of the year it was 33.5 percent. This includes the energy sphere, where these indices were 131.1 and 42.2 percent, respectively, fuel industry—87.1 and 76.9 percent, and nonferrous metallurgy—64.6 and 12.2 percent.

The nonpayments crisis in all sectors of the economy has led to payment shortages to the budget amounting to more than R580 billion. This, in turn, has prevented us from fully financing outlays for institutions of the social sphere, many social programs, and capital investments. Creditor indebtedness with respect to the republic budget as of 1 January amounted to R366 billion, including R94.4 billion—in the overall economy, R74.4 billion—in education, R12 billion—in culture, R29 billion—in public health, and R119.5 billion—in capital investments.

The same reasons lie behind the chronic delinquent indebtedness of enterprises with respect to payment of wages to their employees. As of 1 February, this amounted to R149.5 billion for enterprises of industry, construction, and agriculture alone, and the problem continues to remain a central one for the republic.

We have great problems in the social structuring and consolidation of the village economy, in ensuring the stable functioning of vitally important sectors of the economy—the fuel and energy complex, transportation and communications, the financing of construction of especially important republic facilities, and in organizing the shipment of production-technical resources, foodstuffs, and essential items. It has become critically necessary to develop and subsequently implement a special-purpose protectionist state policy in support of the life sustenance of our republic's northern and Arctic populations. Definite adjustments must be made to our tax, budget, finance, and credit policy. Tighter regulation is required in matters of prices, price formation, and wages. There is every indication that we will have to introduce certain changes into investment programs being conducted.

The government has sufficient information and analysis of the situation at its disposal. There are assessments and projections of processes and trends we see taking place in the social sphere and in the economy. We are equally as firm in avoiding bureaucratic optimism as we are the syndrome of excessive dramatization of the situation. We have strong confidence in the fact that the mobilization of forces and assets, concentration of efforts in key areas, enhanced professionalism in our work, and results-oriented activity at all levels of state management will enable us to reestablish proper direction in the economic complex, gradually eliminate the disproportions and imbalances that have formed in the economy, and ensure that enterprises and the populace adapt to new economic conditions and realities.

Socioeconomic Policy of the Government for 1995-1996: Main Orientations

Of determinant significance in the republic's socioeconomic policy is the establishment of a great degree of mutual understanding and mutual support, constructive and mutually beneficial economic cooperation with the federal organs of state power. I am talking about the establishment of genuine federalism in Russia, about the realization of a fundamentally new regional policy.

The lengthy—but persistent and purposeful—efforts of the republic leadership in establishing businesslike interaction with the federal organs is yielding entirely evident and reassuring results. A number of intergovernmental agreements in the most significant areas of cooperation and economic interaction are close to signature. The same is true of an interstate treaty on reciprocal delegation of functions and authority. In February of this year, the Russian Federation Government approved the Federal Program of Socioeconomic Development of Yakutia for 1995-2005, and the chairman of the Russian Federation Government approved a plan of measures to rectify the situation with respect to providing life sustenance to the populace and economic complex of the republic. Harmonious, highly organized efforts with federal ministries and departments in implementing the above-mentioned enactments is required on the part of all the organs of state government of Yakutia.

With the participation of scholars, experts, and specialists in various sectors of the economy and in financial and banking institutions, the government has elaborated a plan of action for 1995-1996 to effect the further development of reforms, overcome crisis and disproportions in the economy, and create the conditions for economic growth and enhancement of the standard of living of the populace. This plan conforms entirely with similar enactments of the federal government and contains specific measures for state regulation and influence over economic processes. Work is presently underway to clarify this document definitively in the ministries and departments of the republic, to coordinate and adjust its individual provisions. In March we will submit it for presidential confirmation and approval by the State Assembly of the republic.

Today I would like to focus attention on certain main orientations.

We consider it a top-priority task of the government to ensure the reliable functioning of the social sphere, to create necessary social conditions and guarantees for the populace. It is proposed to direct R1.876 trillion, or 47.5 percent of the total volume of budget outlays, to these ends in 1995. This amount will come from state budget funds without taking into account capital investments for nonproduction construction and expenditures for the maintenance of housing and municipal facilities. More than R102 billion of this amount will be directed towards expansion of the existing network of social

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

institutions and the financing of supplemental outlays for newly approved social programs and decisions.

In order to implement social programs and benefits, in addition to budget funds, a total of R1.238 trillion will be attracted from nonbudget funds for pension security, social and medical insurance, social support, and population employment.

At the same time, with the aim of enhancing the effectiveness of social programs and ensuring that they are specifically beneficial to the needy segments of our populace, we consider it advisable to carry out measures to optimize the functioning of our network of social institutions, eliminate superfluous and unjustified expenditures, simplify the system of social assistance, and ensure that this assistance is properly targeted. We must eliminate clumsiness and confusion in the system of social payments. We must avoid an equalizing approach and reject the stereotypes and formalism that have taken shape in this sphere.

We are faced with the task of organizing the effort with federal organs to set up a mechanism for phased implementation of the Russian Federation Law on State Guarantees and Compensation to Persons Residing in Regions of the Far North and Equivalent Localities, proceeding from the true financial and economic capabilities of the federation and the republic. Unfortunately, this will entail the introduction of certain restrictions in affording guarantees.

A fundamentally new orientation in social policy will be the implementation of a national state housing policy. Not less than R300-350 billion must be allocated from the republic and local budgets (taking into account the mobilization of assets of certain nonbudget funds and finance and banking institutions, attraction of a portion of funds of the populace, and the issue of housing certificates and promissory notes) for implementation of the housing construction program. In addition to direct, significant increases in the overall amount of funds directed to these ends, attention will be focused on engineer support for housing construction, especially in rural localities, and on enhancing housing quality.

Along with the expansion of housing construction, it will be necessary to undertake supplemental measures in the accomplishment of housing reform. Here we intend to increase the efficiency of housing and municipal services of state (municipal) housing assets, bring order to the process of privatization of housing, etc.

One of the most important orientations of government activity must be the adoption of all available measures to augment the economic activity of the populace and ensure its effective employment. I am referring not only, and not primarily, to effecting job placement for the discharged workers of eliminated and stagnant enterprises. I am rather talking about purposefully surmounting hidden unemployment in a manner regulated by the state, the scope of which is fairly great, especially in rural districts of our republic.

It would be intolerable for social assistance in the form of various compensation payments, benefits, and other allowances from state sources to come to comprise the main source of income of the able-bodied populace. In this regard, we will have to develop and effect the phased implementation of special programs establishing supplemental job positions in regions with surplus labor resources, programs for personnel retraining, programs properly organizing the occupational training system for our youth, and programs for labor- resource planning in the republic and by district, including measures for economically and administratively regulating the introduction of manpower from outside the republic.

It will be necessary to revive motivation for engaging in intensive labor, to provide incentives for small business, and to introduce more effective mechanisms for regulating wages, bearing in mind the elimination of distortions which have appeared in amounts of wages by sector and by enterprise and efforts to surmount the economically unjustified, deeply penetrating, property segmentation of the population.

In 1995 the government will intensify efforts to change the foundation of reforms into one of a qualitatively new economy managed by market regulators, and secure the positive trends that have been noted in our most important production sectors. To do this we must effect a more profound framework restructuring of the economy.

In industry we intend to continue the development of new sectors—extraction and refining of oil and natural gas, the processing of diamonds and jewelry—and effect transformations in the budget spheres of the economy.

Prior to 1997 we must raise oil production to the level of 945,000 tonnes and production of oil products—to 943,000 tonnes. Taking into account the distinctively unfavorable situation that has come about on the Russian oil-products market, it must be our strategic objective to loosen our rigid dependence on it.

In the diamond extraction industry, we face the tasks of optimizing the structure of the company Diamonds of Russia-Sakha, diversifying its activity, and increasing investment activity. It is the overall task of the republic government and of the directorship of the joint-stock company to ensure financial stability and strengthen the economy of this key industry of our economic complex.

In the gold mining industry, we also envision structural reorganization, further institutional transformations of mining enterprises, set-up of the refining of gold-antimony concentrates at Russia's nonferrous metallurgy enterprises, transfer of facilities to municipal ownership, the reorganization of certain enterprises coupled with resolution of related problems—with respect to job placement and housing construction in other regions of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia for people who depart, and provision of necessary social guarantees for discharged workers.

The government has a plan for reorganizing the gold mining industry, aimed at reducing production costs while simultaneously increasing extraction volumes of the metal, ensuring competitiveness, and enhancing the profitability of enterprises of this sector.

This year in the coal industry we plan to adopt a decision on stabilization, on the Russian Federation level, of the socioeconomic situation of enterprises of this sector, resolve the nonpayments problem, modernize and construct production capacities, and provide exemptions from duty and value-added tax for equipment and spare parts which are imported for purposes of modernization and production expansion and for which there are no counterparts in Russia.

In the transportation complex, the following areas require resolution on an urgent basis: renewal of the aircraft fleet, replenishment of shallow-draft and tanker vessels of the river fleet, completion of construction of the Berkalit-Tommot-Yakutsk Railroad, rate regulation for freight shipments on all varieties of transportation, regulation of fuel prices in air transportation, and the allocation of credits for river fleet overhaul.

The elimination and removal of capital stock in the electric power industry and insufficient investments will require that the government apply maximum efforts in 1995 to continue construction of the Vilyuysk-3 Hydroelectric Power Plant and electric power lines, and the modernization of Yakutsk and Neryungri State Regional Electric Power Plants. It is proposed that not less than R498 billion be allocated from the republic budget and investment funds in 1995 for the construction of railroads, paved roads, and energy and communications facilities. But this will in no way prove adequate. We must therefore seek additional financial resources amounting to no less than R750 billion. It is an extremely complex task, but a realizable one, if we receive proper support from the federal government.

In the sphere of agriculture, the government has set the task of phased implementation of the rural development concept approved by a republic conference of agro-industrial workers. A great deal has been done in recent years in support of our agricultural producers. However, the tremendous assets allocated by the state have not been able, unfortunately, to provide the necessary impetus for transformations in the rural economy. The mechanism for effecting such transformations is antiquated, a domestic market for agricultural production output has not been instituted, and a mechanism for protecting the interests of local agricultural producers from the influence of the external market has not been developed. The government considers resolution of the land question to be a fundamental link in agrarian reform, and based on it—the establishment of a multistructured economy and stimulation of the production of agricultural output. In order to establish a stable foodstuffs market, we must organize a deeply structured system of food processing, storage, and territorial distribution of production output.

As stated above, economic mechanisms for agrarian reform must be set in place. The forms and methods of providing state support to agricultural producers must be perfected—in the formation of nonbudget sources of production financing, improvements in bank support, and improvements in tax policy.

With respect to social issues of the village, the government is continuing its policy aimed at improving the production and social infrastructure, perfecting the system of wages, regulating price parity between industrial and agricultural production output, and supporting population employment.

The Achilles' heel of the government's socioeconomic policy is centered on problems associated with the deteriorating financial situation of enterprises, the deepening nonpayments crisis, and state budget deficit.

In 1995, the projected deficit volume of financial resources in the republic boils down to the state budget deficit, and amounts to R652 billion.

The government is forced to conduct a tight budget policy aimed at doing everything possible to curtail state expenditures. Norms for distribution of budget resources to districts and cities will be elaborated over the course of the year. It may be necessary to introduce reductions in certain expenditure line items. With the aim of economizing and ensuring the purposeful use of resources, we will investigate the application of well-justified centralization of individual budget outlays (capital investments, certain expenditures of budget-financed institutions) on the level of republic organs.

Concentration of efforts and funds in key areas will require the mobilization of all state financial resources and guarantees of their strictly controlled, special-purpose use. Specifically, all plans and programs of nonbudget funds will be approved by the government. A portion of their free assets will be attracted to cover the budget deficit or be used for investment in effective programs and projects. We are examining the possibility of optimizing the procedure and methods used in managing the assets of nonbudget funds, including their commercial management on a competitive basis.

In order to initiate the crossflow of capital from the circulation sphere into the production sphere, a number of financial-production groups and large-scale state investment companies will be established.

We plan to take the necessary measures to develop a financial market and share market in the republic, to create the proper institutions and infrastructure. We will expand the practice of issuing state securities, processing enterprise debts into bills of exchange, and establishing

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

conditions for the insurance of investment risk, a system of guarantees, and legal support.

We must conduct the second phase of privatization in a more well thought-out and purposeful fashion, and must ensure individual planning of the privatization model for each major enterprise.

The government has specific plans of action and decisionmaking with respect to all the above-mentioned areas of activity. Their implementation will depend in full measure not only on the professionalism of those who execute these actions and decisions, but—to a still greater degree—on the quality of the structure of organs of executive authority being formed, their functional precision, organizational framework, and harmony of work effort. The reorganization of republic organs of state management currently underway is the result of objective necessity and expediency.

We are convinced that economic reform in its new stage must be carried out with greater meaningfulness and consistency, taking into account the particular features of regions, sectors, and economic complexes, and not according to a unified schematic or stereotype. Here we see a need for the state to exert a more active influence on the management and regulation of economic and social processes that are underway. A long-term economic strategy must be developed which has realistic reference points and parameters. We must have a clear plan of action and the precise tactics for its execution.

Nizhniy Novgorod Legislative Assembly Defines Goals

954F2108A Nizhniy Novgorod NIZHEGORODSKIYE NOVOSTI in Russian 1 Apr 95 pp 4-5

[Interview with Anatoliy Kozeradskiy, chairman of the Nizhniy Novgorod Legislative Assembly, by NIZHEGORODSKIYE NOVOSTI correspondent N. Ryazanov; place and date not given; under the "Firsthand" rubric: "Anatoliy Kozeradskiy: A Year Has Passed in the Blink of an Eye"]

[FBIS Translated Text]**On 27 March it was exactly a year since the Nizhniy Novgorod Oblast's new representative authoritative body—the Legislative Assembly—was elected. Our correspondent interviewed its chairman, A.A. Kozeradskiy.**

[Ryazanov] Anatoliy Aleksandrovich, the current Legislative Assembly was elected for a term of only two years; thus, you have already crossed the "equator." Do you not have a feeling that the time has become compressed beyond belief?

[Kozeradskiy] For me personally, the year has simply flown by. Although we have worked through, and adopted, more than 180 decrees and laws, we are still only beginning to really understand that we are creating a completely new system of representative and legislative authority, and deputies are only now beginning to grasp the significance of the new representative branch of authority.

[Ryazanov] In your opinion, what is the most significant part of this novelty?

[Kozeradskiy] Today we no longer have the omnipotent soviets, which could deal with all questions regardless of whether they were within the competence of executive or legislative authority. Now the Legislative Assembly has its own scope of concrete issues: defining the future development of the region, that is, approving the programs of the oblast's socioeconomic development; drafting and approving the oblast budget; setting oblast taxes and tax preferences; issuing subsidies, subventions, allowances, and credits from the oblast budget's funds; and drafting oblast laws and other normative acts needed for the functioning of the oblast economy. These are the main issues the deputies can deal with within the boundaries of the current legislation. After we adopt the laws, and especially the charter, of Nizhniy Novgorod Oblast, our powers, on one hand, will be more clearly defined, and on the other, I think, will be considerably expanded compared with the powers currently defined by presidential edicts, some of which are in conflict with the Constitution. Right now we cannot always control even those issues that are within our competence. Presidential edicts and government decrees gave the oblast administration the ability to decide on budget matters. For instance, the governor could singlehandedly make a decision on guaranteeing the loan given to a particular enterprise.

[Ryazanov] The example that immediately jumps to mind is the multimillion foreign currency loan the Ministry of Finance gave to the ship-building plant Oka, in Navashino....

[Kozeradskiy] It is indeed a good example. After we adopt the oblast charter and define the Legislative Assembly's place in the system of relations between the representative and executive authority, we will definitely set forth in a law how these guarantees should be issued. Because this question involves the oblast budget, and it is the oblast that for all intents and purposes acts as a guarantor. And all questions involving the budget must be decided through the Legislative Assembly. Especially considering that, as the latest events have demonstrated, there may indeed emerge some difficulties in enterprises and organizations fulfilling their obligations, which means that this will pose a certain threat for the oblast budget as well. The deputies and the governor together should bear responsibility for the guarantees issued to a particular enterprise on the collateral of the budget. Which means that the question of issuing such guarantees will be looked into more in-depth.

[Ryazanov] Speaking of the style of work: Is the new representative body of authority in the oblast different from the old oblast soviet?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Kozeradskiy] We have tried to preserve everything that was the best in the soviet. It is, for instance, the democratic way of discussing the issues, and deputies' purposeful work in committees, which permits us to adopt quite a few decrees in the course of even one session.

What has changed is the approach. We have moved away from attempts to influence the administration's actions on the matters that are directly within its competence, and neither do we assume responsibility for the final result, which used to happen in the old soviet. When we worked on the oblast 1995 budget and were going through the proposals regarding the need to allocate a certain amount for a particular program, the deputies clearly indicated where the needed funds would come from.

[Ryazanov] In the materials regarding the budget, journalists frequently call it "dividing the pie." But the legislators' task is not only to divide the pie fairly, but also to build into the budget incentives for development of production. To what extent, in your opinion, were you able to incorporate the second task in the oblast 1995 budget?

[Kozeradskiy] It is true, the budget policy is one of the main levers that lets us influence the state of affairs in the oblast. Speaking of support for agriculture, we now appropriate money for targeted programs, for direct support of production forces in the countryside. In the past, we simply subsidized it and found out that it did not produce the desired effect.

Being aware that normal operation of enterprises affects to a large extent the wellbeing of both Nizhniy Novgorod residents and the budget, the deputies set the tax on profit at 21 percent, although we could have raised it as high as 25 percent. Maybe we will come up short on real money for the budget, but we know that our enterprises will feel somewhat less oppressed—even though not by much—than those in other regions. And in the final count we will gain more if we manage to keep our enterprises working.

Neither did we leave without budget-funded support organizations, health care, education, the elderly, low-income groups, families with many children.... These are budget line items that are called protected—their financing has not been reduced as compared to last year.

Right at the beginning of our work on the draft, we agreed that the budget deficit should not exceed 15 percent, and we have even managed to reduce this figure. I think this guarantees that the budget we have passed will be carried out.

On the whole, however, as we worked on the budget, there were, of course, serious efforts to reallocate the money in keeping with deputies' departmental interests—what you call "dividing the pie." And this is understandable, if we take into account the trend of real relative decline of the revenue part of the budget. Which is why we had to considerably reduce expenditures on construction in the social sphere and temporarily suspend financing of a number of targeted programs.

[Ryazanov] Some deputies have serious ideas regarding a completely different concept of the budget. Can alternative drafts be discussed and worked out in the Legislative Assembly?

[Kozeradskiy] Naturally. We bring in specialists not only from among deputies, but also Nizhniy Novgorod scholars. Perhaps some day we will propose our own draft budget, different from the one submitted by the administration, and pass it.

[Ryazanov] What priority issues was the Legislative Assembly unable to deal with over the year of work?

[Kozeradskiy] Many problems remained unresolved because of the lack of a considerable number of important federal laws. There is no clarity in the procedures of delineating the authority in the matter of joint jurisdiction of the bodies of authority of the Federation and its components, that is, oblasts and republics. The final reading of the law "On the General Principles of Organizing Local Self-Government in the Russian Federation" has not been adopted. The Housing Code has long become obsolete.... Administrative legislation does not envisage effective measures the local authorities could apply to violators who shirk accepted norms. For instance, it does not give the local authorities the right to make a decision to raze unauthorized garages and shacks built in the city.

We need to fill this legislative vacuum by appropriate decrees and oblast laws. Unfortunately, we were unable to do it over the past year.

Neither were we able to work out a mechanism for more effective support of economic entities.

The question of effective tax collection also remains open. Many private entrepreneurs, small businesses, and limited liability partnerships, especially those engaged in trade, unfortunately, do not pay taxes to the state treasury and the oblast budget. The tax inspectorate's report regarding undercollection was recently heard at the conference held in your office. After which Governor B.Ye. Nemtsov said bluntly that nonpayers should be taken to court for what amounts to embezzlement of public funds.

[Kozeradskiy] With respect to enterprises that skip payments, everything is more or less clear. As to individuals working with cash, who simply evade taxation, this question is more complicated. Unfortunately, the current mechanism set forth at the federal level does not ensure sufficient collection of taxes. We decided to discuss the question of undercollection in greater depth at the oblast's coordinating council, which includes, in addition to B.Ye. Nemtsov and myself, Ye.V. Krestyaninov, I.P. Sklyarov, and I.N. Karnilin. Because the total revenue lost due to undercollection (for the federal and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

oblast budget) amounts, even by the official data, to almost 300 billion rubles. The tax service estimates that the amount unaccounted for equals to more than 40 percent of the amount of tax collected into the budget.

We can draft and adopt supplementary amendments to the existing mechanism of taxation, improve it on the oblast level. But it would be even better to have a new, improved federal law adopted. By the way, as NIZHEGORODSKIYE NOVOSTI has already reported, Governor B.Ye. Nemtsov recently submitted to the government his draft law on the system of taxing small business. It has been approved by the government, and now it is State Duma's turn.

[Ryazanov] In my opinion, the Legislative Assembly should openly voice its position on the most burning issues that concern the electorate. For instance, our readers know your personal opinion on the subject of the recent events in Chechnya. But the Legislative Assembly still remains mum—it has not adopted a statement on this matter.

[Kozeradskiy] I think you approach this issue the same way the deputies of the old soviet did, who believed that the representative authoritative body should and can deal with any matter. Each deputy has the right to express his viewpoint on the position of the government, the president, and the State Duma in a particular conflict, including that on Chechnya. We do not have the right to adopt a decision on the level of the Legislative Assembly: This is not within our competence, as the latter is defined by the existing normative documents and the Russian Constitution.

We can submit to the State Duma any draft in a form of a legislative initiative, including regarding military operations on the territory of Russia, in which we can express our complete rejection of the need and permissibility of starting such armed conflicts and bringing the military, our boys, into it. For instance, we have already sent to the State Duma an official opinion of the Legislative Assembly regarding the General Staff's proposal to repeal draft deferral for students of higher and middle vocational schools. All our deputies support staying with the current legislation.

I believe that the "Chechen question" should have been resolved peacefully. As has already been noted in the press, the majority of Legislative Assembly deputies share this opinion.

[Ryazanov] To what extent are Legislative Assembly Deputies obliged to have direct contacts with constituents?

[Kozeradskiy] The new legislation does not contain such notions as voters' mandate or deputies reporting to the voters on the work done in their district. Nevertheless, each deputy has aides who maintain direct contact with voters, organize deputies' meetings with residents, and resolve some issues on their own if they can.

Naturally, deputies living on the territory of their districts meet with their constituents practically every day. For those working full time in the Legislative Assembly, it is more difficult. Nevertheless, I manage to visit my district—Vykunskiy Rayon—once or twice a month. In addition, Legislative Assembly deputies hold quite a few meetings in districts on the problems of local self-government. By now local self-government has formed in the oblast, and good or bad, it works. I hope that the seminars we have held in the districts, and sample statutes drafted by the Legislative Assembly, could help local self-government bodies to mature. In this, we also play the role of an accumulator of ideas, the experience that already exists in rayons.

[Ryazanov] Anatoliy Aleksandrovich, let us imagine that you have decided to participate in the recently announced competition for a draft law on elections of Nizhniy Novgorod Legislative Assembly deputies. What would be the main points you would want to implement?

[Kozeradskiy] I could not participate in this competition, since I deal with these issues as part of my job.

I believe that we must draft a law that would clearly and precisely define the number of deputies working in the Legislative Assembly full-time. At the same time, I do not support the purely prescriptive approach proposed by some: Let us declare, they say, that all elected deputies must resign from their jobs and work only in the Legislative Assembly. This measure discriminates against people who could potentially compete for a deputy mandate. In addition, "full-time" deputies elected for four years will to some extent lose connection with voters, will have less of a feel for their problems. I believe it should be possible for each voter to vote on two lists. One list should include candidates who after the elections will have a choice of whether to work in the Legislative Assembly full-time or not. And the second list—on larger, combined districts—should include candidates who are running for the Legislative Assembly only to work there on a permanent, professional basis.

This would somewhat increase the total number of deputies in the Legislative Assembly. And this is not bad. Because 45 deputies is really not enough for such a large oblast. I believe that this number could be increased to 68. These additional 23 persons should be elected on a strictly specific basis: for full-time work in the Legislative Assembly.

[Ryazanov] Does this bring you to a two-chamber oblast parliament?

[Kozeradskiy] Not necessarily. In principle, a two-chamber oblast parliament is a good idea; it would provide a clear system of a quality process of drafting and adopting normative acts. But it is very conservative, and the time frame that the deputies of a one- chamber Legislative Assembly need to adopt the needed decrees and laws would have to be considerably increased for a two-chamber representative body of authority.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In principle, I support the proposal of representatives of oblast public associations who insist that deputies for full-time work should be elected by party lists.

In my opinion, we should seriously look into the question of possible phased rotation of the deputy corps. Beginning with the next elections, the assembly's term will be four years instead of the current two. Why should we not borrow the experience used in some states in the United States. They elect senators for four years, but elections are held every two years, at which time only one-half of deputies are up for election—those whose term has expired—while the other half, who have only been there for two years, continue to carry out their duties. This retains continuity in the work of the legislative body, and you do not have to start from scratch after each election.

[Ryazanov] The only question is how to start.

[Kozeradskiy] I think, for instance, that those 13 deputies of the Legislative Assembly who were elected later than the others, in November 1994, should be given the opportunity to stay on, and not hold the next elections in these districts. This would provide continuity in the transition to the new system.

Another principal question is how many deputies should participate in the elections to consider the latter valid. Perhaps we should remove this provision altogether. I do not understand the position of those deputies and representatives of political parties who believe that 50 or 75 percent of the electorate must participate in elections in order to consider them valid. But voters have just as much right not to vote as they do to vote. By establishing a certain "percentage floor," are we not encroaching on the will of those voters who have come to the polling stations and cast their vote for or against a particular candidate? I believe that it makes sense to dispense with any "percentage floor." The result may be that those citizens who in the past thought that their personal nonparticipation would result in declaring elections invalid will after all come to polling stations and vote.

[Ryazanov] I wish you and all Legislative Assembly deputies success in your work.

[Kozeradskiy] Thank you. I think the next year will be more fruitful for us.

Economic Issues

Government Offers Incentives To Reduce Wage Payment Arrears

LD2004213895 Moscow ITAR-TASS World Service in Russian 1332 GMT 20 Apr 95

[By ITAR-TASS correspondent Gennadiy Yezhov]

[FBIS Translated Excerpt] Moscow, 20 Apr—The government of the Russian Federation will offer incentives to enterprises that "reduce their wage payment arrears," First Deputy Prime Minister Oleg Soskovets stated at today's government sitting. The meeting examined the question of measures to be taken by the Russian Federation's executive bodies of power in order to eliminate wage arrears.

According to the ministry of the economy, by 1 April 1995, the arrears in the amounts allocated for the payment of wages at the enterprises and organizations within the industrial, construction, agricultural, and transport sectors alone have exceeded 5.7 trillion rubles, which is 36 percent more than in January last year, and the number of enterprises not able to meet the arrears went up by 17 percent. [passage omitted]

Finance Minister Blames Regions for Delay in Wage Payments

LD2004153395 Moscow Russian Television Network in Russian 1000 GMT 20 Apr 95

[FBIS Translated Text] [Correspondent Milyanchikov] Members of the Russian Government were discussing a very pressing problem today [20 April]. How is the government going to pay off the money it has promised, when, to whom, and how much? [video shows government meeting in progress]

The problem of financing was the one that raised the most questions during consideration of the progress in implementing the president's Children of Russia program. The money envisaged by the program, not to mention the money actually received, is clearly not enough. According to Social Security Minister Lyudmila Bezlepkina the program cannot help all the children, but at least it may alleviate the critical condition of disabled and underprivileged children. But the money is not the only reason (for the problems). Seven ministries are responsible for the program. It is well known that seven cooks....

The question of money was once again raised in discussing the problem of paying off wages owed to public sector workers. It transpired that the government has no debts.

[Russian Finance Minister Vladimir Panskov, identified by caption] We have virtually no debts with regard to the federal budget. The difficulties are in implementing the budgets of the component parts of the federation. They had problems at the end of last year when some regions were not able to pay wages on time, including the wages of those working in the sphere of education. Despite the fact that we are not officially responsible for implementing these budgets, the government showed consideration and allocated additional money at the end of the last year—234 billion rubles. Unfortunately, it just so happened that some regions spent this money on other things.

[Milyanchikov] So, if your wages are delayed, address your complaints to your direct bosses or, at least, to the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

heads of local authorities who are delaying the payments, rather than to officials from the White House or the Finance Ministry.

Chubays Notes Improvement in Wage Payments in 1995

LD2004153895 Moscow INTERFAX in English 1319 GMT 20 Apr 95

[FBIS Transcribed Text] MOSCOW, April 20 (Interfax)—Deputy Prime Minister and head of a government commission for improving the system of payments in the economy Anatoliy Chubays has registered a certain improvement in the payment of earnings in March and April this year.

At a Thursday cabinet session he stressed that during the first quarter of the year the debts of the government to employees grew 1 percent which is much less than the rate of inflation.

Belated wages during the first three months of the year totalled 5.6 trillion rubles.

The Finance Minister Vladimir Panskov told Interfax that many industrial ministers did not suggest steps to resolve the problem shifting the wave of complaints to the Finance Ministry. According to the minister, the payment of earnings depends on budget money only 20 percent.

Panskov said that his ministry has fully transferred the funds for the payment of earnings to government employees till the end of the year. Under a schedule worked out with trade unions the remaining debts to coal miners will be paid by the end of June, to munitions plants by the end of May—the beginning of June.

At the end of the debate Deputy Prime-Minister Oleg Soskovets who chaired the session bound the heads of federal agencies to work out a clear system of payments to working people, find forms and methods of timely remuneration.

The session was told that at the moment the average lag in the payment of wages in industry is six weeks, in agriculture ten.

Ministers, Managers Blamed for Wage Delays

MK2104103095 Moscow KOMMERSANT-DAILY in Russian 21 Apr 95 pp 1, 2

[Report by Nikolay Podlipskiy under the "Russian Government Meeting" rubric: "Those Responsible for Wage Payment Delays Have Been Found—Ministers and Directors"]

[FBIS Translated Text] The authorities plan to tighten sanctions for the sale of commodities subject to excise duties without relevant stamps—yesterday's government meeting approved amendments to the criminal code that call for a two-year prison term for this violation. The discussion of these novelties—clearly unpleasant for Russian traders in alcoholic beverages—did not last more than 10 minutes, however. Throughout the rest of the meeting government members were busy discussing the problems of implementing the "Children of Russia" federal program and wage delays. The discussion of the last question was notable because the chairman, Oleg Soskovets, managed to find a formula that is very advantageous from the point of view of forming the government's image, namely, that it is not the whole government that is to blame for nonpayments, but specific ministries to which complaints about endemic wage delays should be directed.

Amendments aimed at considerably toughening criminal legislation were presented yesterday by Deputy Finance Minister Andrey Vavilov, a man who did not appear to have any bearing on the problem at all. In his words, in order to raise the effectiveness of the struggle against smuggling it is essential to introduce harsher punishments for such crimes—the Finance Ministry proposed that the Criminal and Administrative Codes envision the possibility of a two-year prison term for selling alcoholic drinks without excise stamps. So harsh a punishment may be in store even for a ludicrous transaction of five times the minimum wage or 172,000 rubles. After Vavilov's presentation there was virtually no discussion.

The internal affairs minister initially had doubts about the need to be dragged into a lengthy procedure of pushing the amendments through the parliament, proposing that the current legislation be specified by a decree of the Supreme Court's plenary meeting. Finally even he agreed with the proposed amendments, however, insisting only that the Criminal Procedural Code be amended simultaneously.

This year the subject of repaying wage debts has nearly become the centerpiece of the Chernomyrdin cabinet's economic policy. Unlike, say, last year, when after the winter flurry of activity the government's struggle against the wage crisis took on the form of benign neglect, now the government never tires of demonstrating its desire fully to keep all its promises. It should be given its due—presently the state's debt to budget-financed organizations of the social and cultural sector is down to a purely token amount of 9 billion rubles. Finance Minister Vladimir Panskov said that his ministry fully complies with the timetable for repaying "old" debts to enterprises of the military-industrial sector and the coal industry. It turned out right during the meeting, however, that even the money released by the Finance Ministry is not reaching the enterprises. For instance, the meeting discussed at length the case of two military agencies—the Defense Ministry and the State Defense Industry Committee. The former did get money from the Finance Ministry, but only one-fourth of the allocated sum reached enterprises that carried out the military's orders. Thus a way of combating nonpayments emerged as if by itself—Oleg Soskovets grimly told the audience that had this happened five years ago, two government

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

members would have already been fired. It is unlikely that things will go as far as firings, but yet another round of struggle for executive discipline appears to have been promised to the bureaucrats.

Another area of government efforts will be pressure on the managers of enterprises that fail to pay wages, because the government has nothing to do with a major part of the debt. To this end, the Labor Ministry proposed, in particular, a more energetic lobbying effort to "push through" the draft law "On Compensating for Material Damage in Connection with the Late Payment of Wages," which calls for sanctions against directors who deliberately hold up the payment of wages. [Article includes the following boxed passage]

According to the State Statistics Committee, as of 1 March 1995, one out of every three industrial enterprises had arrears on delayed wages. Compared to the beginning of the year, the number of such enterprises has increased by nearly one-third, to reach 8,195. The amount of overdue payments for consumer purposes was 2,985.9 trillion rubles. Of that, a major part of wage delays falls on fuel and energy sector enterprises (1.009 trillion rubles) and the engineering sector (767.4 billion rubles). State Statistics Committee specialists point out that the shortage of money related to the underfinancing of budget expenditures is particularly manifest in the military-industrial sector and the coal industry.

Finance Minister Sees 'No Point' in Fixed Ruble Rate

MM2004133495 Moscow ROSSIYSKIYE VESTI in Russian 20 Apr 95 p 1

[Unattributed report from the "Corridors of Power" column: "Quotes"]

[FBIS Translated Text] Yevgeniy Yasin: "Introducing a fixed rate of exchange for the ruble against the dollar is not on the agenda and will not, I think, figure on it soon."

Commenting on his cabinet colleague's statement, Finance Minister Vladimir Panskov was even more definite: "Until we get inflation down to 1 or 2 percent per month, the federal budget deficit down to 3 percent, and Central Bank currency reserves up to $8 million to $10 billion, there is no point whatsoever in tightly linking the ruble to a freely convertible currency.

For his part, Andrey Illarionov, director of the Institute of Economic Analysis, is convinced that the conditions necessary for introducing a fixed ruble rate could shape up as early as this May- June. According to him, the Central Bank reserves at the end of 1994 were estimated at $3.2 billion, and if the IMF allocates stabilization credit to Russia the Central Bank will increase its currency reserve by another $8 billion.

Central Bank's Paramonova Expects Ruble To Gain Against Dollar

LD2004210095 Moscow ITAR-TASS in English 1918 GMT 20 Apr 95

[By Nelli Grigoryan]

[FBIS Transcribed Text] Yaroslavl, April 20 (ITAR-TASS)—The Russian rouble's tendency to gain strength against the U.S. dollar, to all probability, will grow, noted Tatyana Paramonova, acting chairperson of the Central Bank of Russia [CBR]. Replying to a query by ITAR-TASS, she explained that it is, above all, conditioned by the real economic situation in the country, and improvement of the state of affairs in a number of industrial branches, such as machine-building, power generation and, on the whole, reduction in the fall of production.

Tatyana Paramonova met with directors of Yaroslavl-based commercial banks today. Talking to them, she clarified the policy of creating reserves for credit risks and linked with it conditions of banks' work. She emphasised that banks will have to change accent in their activities with a drop in the rate of inflation, in particular, switch over from speculative operations to investments in long-term projects, which will require a more higher professionalism, skill to assess the economic situation, state of the market and degree of risk involved.

According to Paramonova, banks enjoying decent reputation and large capital will have an advantage over others in competing with each other. Replying to questions asked by Yaroslavl financiers, the chairperson of the CBR also told them about upcoming privatization of banks, introduction of the system of electronic payments, measures for protecting depositors from substandard firms, first of all, monitoring their activities by local authorities.

Dollar's Fall Seen as Enhancing Role of Ruble

MM2404145895 Moscow ROSSIYSKAYA GAZETA in Russian 21 Apr 95 First Edition p 14

[Article by Aleksandr Velichenkov: "Chance To Become Ruble"—from the "Business in Russia" section]

[FBIS Translated Excerpt] Against the background of the dollar's fall on international markets the ruble has gained a free shot at taking a more active position within Russia. [passage omitted]

What does this situation mean for Russia? To begin with one can sympathize with our tourists and "shuttlers." In the summer season they will find substantially increased dollar prices throughout the world. Even now Prague taxi drivers are not accepting dollar fares, they do not want to lose the exchange rate difference.

But the sensible policy of our specialists from the Finance Ministry and Central Bank of Russia in talks with the IMF can also be noted. The dollar sum of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

IMF credit in the form of special drawing rights has already increased by $800 million. Here an end must be put to the pointless debate over how best to use the IMF credit. Russia will not get a cent of it, and all these funds will go on paying back foreign debts to various "creditor clubs." Although $800 million is a little over 0.5 percent of our debts, it is still welcome. If the Russian dollar-holder realizes that the dollar is not the best refuge from inflation, the gradual ousting of 20 billion "Russian" dollars from circulation will create good scope for the ruble, which will replace the dollar in domestic circulation. This is a fairly substantial anti-inflationary factor. We will, of course, lose several billion dollars through the reduction of purchasing power.

While the Central Bank of Russia is staffed by regular professionals whom it is difficult to doubt, an extremely good killing can be made from "ruble-mark-dollar-ruble" or "ruble-dollar—yen-ruble" cross-rate transactions. And there is circumstantial evidence that the Central Bank of Russia is "on the ball." For example, for several months the ruble rate of the dollar and mark on the Moscow Interbank Currency Exchange has substantially differed from that on European exchanges (a good basis for cross-rate transactions). But it was very quickly "brought into line" following the 10 March signing of a credit agreement with the IMF.

Spontaneously, because the market does not ask anybody and needs no instructions, the ruble has already become the reserve currency within the CIS because it is much "harder" than all the "soft" ones. From this it follows that given a sensible policy it could service intra-CIS goods transactions. This is also an anti-inflationary factor.

It is also to our advantage that Russia will now be able to pay back the old credits, which the USSR took in "expensive" dollars, with "cheap" ones.

We have rapidly—within two years—raced through the "dollarization" stage. The dollar was replacing the ruble in domestic circulation and was driving down ruble inflation, making its rate impervious to the efforts of the "monetarists." This process has enabled us all to truly realize "what costs what" over there and over here. It now turns out that "over there and over here" things are roughly identical. Russia was the last vessel into which the dollar could be poured. As soon as the vessel was full the dollar started to lose value. Let us not overestimate our influence on world finances. The contribution of Japan and the FRG to this process is much weightier. Another conclusion is now more important for us—about Russia's openness to the winds of world finance. It is desirable that we learn to live in such a way that these winds do not cause drafts, and especially not chills, in our home.

Economic Analyst Sees Dollar as Overvalued

MM2404112895 Moscow IZVESTIYA in Russian 22 Apr 95 p 2

[Article by Andrey Illarionov of the Institute for Economic Analysis: "Ruble's Current Exchange Rate Is Half What It Ought To Be"]

[FBIS Translated Excerpt] Over the last few days the ruble exchange rate has stopped falling and has even begun to rise slightly. Is this pure chance or an emerging trend?

In the immediate aftermath of last year's "Black Tuesday" several well known Russian economists (including G. Yavlinskiy and S. Glazyev) stated that this decline in the exchange rate of the national currency was inevitable. They said that the main reason why the collapse of the ruble was inevitable was that the rate of decline in the exchange rate was lagging behind the pace of domestic inflation. Since in the period from January 1993 to 10 October 1994 prices in Russia increased by a factor of 19.3 while the "artificially supported" ruble fell only 7.4 times over against the dollar, according to this logic, the ruble's plunge on "Black Tuesday" merely "compensated" for this accumulated lag.

However, these arguments cannot explain several self-evident facts. First, in order to fully compensate for the "lag," the exchange rate ought to have fallen 2.6 times over, rather than by 27 percent, as actually happened 11 October.

Second, why take as a baseline January 1993 rather than January 1992, January 1994, or any other month? If you take the start of the reforms as your baseline, in the three years to October 1994 prices in Russia increased by a factor of 503 while the dollar exchange rate increased only by a factor of 19. In that case the "inevitable" fall in the ruble in October should have been by a factor of 26 (!). But if you take January 1994 as a baseline, then prices had increased 112 percent over the nine months while the exchange rate had gone up 147 percent, so in October it should have been the dollar, not the ruble, that declined.

Third, as early as 13 October the dollar itself took a tumble—from 3,926 to 2,994 rubles [R], or by 24 percent—and thereby returned practically to its original level. So should it not have fallen a couple of days earlier? Finally, between mid-October last year and mid-April this year the decline in the ruble (69 percent) again lagged greatly behind the rate of increase in Russian prices (109 percent). But now the ruble is back on its feet. This has again prompted a number of statements that the ruble exchange rate is too high and another decline is inevitable in the very near future. But in fact everything is directly the reverse. The ruble exchange rate is not too high but too low, and a rise in real terms is inevitable.

There is a whole series of indicators unequivocally attesting whether an exchange rate is too low or too high in relation to its point of long-term equilibrium. [passage omitted]

Thus all the signs indicate that the current ruble exchange rate is too low compared to what the rate can and should be in conditions of medium-term economic equilibrium.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

There is a worldwide pattern: As an economy's economic development level and level of openness increase, domestic prices approach the world level, which automatically leads to a rise in the real exchange rate of the national currency.

The medium-term stable level of prices for Russia is close to 70- 80 percent of the level of prices in the United States. Since over the last three months this indicator has been maintained at the level of around 40 percent, this means that the current exchange rate is approximately half what it ought to be.

From the theoretical viewpoint it doesn't matter a bit whether the real exchange rate converges on the level of prices (that is, approximately halves to R2,500-3,000 per dollar) or whether the level of prices "is brought up" to the exchange rate thanks to continuing inflation (in other words, approximately doubles). But from the practical viewpoint, for a whole series of obvious reasons, a halving of the nominal exchange rate should scarcely be expected, and **so it is more realistic to expect an approximate doubling of the level of prices while the nominal exchange rate remains more or less stable.** If the government's present budget policy and the Central Bank's monetary policy are maintained, it may well be that Russia will succeed in attaining these indicators in approximately a year.

In order to increase its reserves the Central Bank is carrying out ruble interventions and thereby lowering the ruble exchange rate. Additional emission is increasing the ruble money supply, which is feeding inflation, while the constantly falling exchange rate is fueling inflationary expectations. As a result the seemingly noble cause of the growth of currency reserves is radically undermining the emergent financial stabilization. Essentially the country's population is paying a price in continuing inflation for the accumulation of the Central Bank's currency reserves.

Another reason for the depression of the ruble exchange rate is that the Russian economy is insufficiently liberalized and contains an unprecedented system of advantages and privileges.

Recent decisions on liberalizing the energy complex and foreign trade, and also on abolishing numerous advantages and privileges offer a definite chance of overcoming this factor depressing the exchange rate.

The depression of the exchange rate is delaying financial stabilization and, given the passion for accumulating currency reserves, may altogether wreck it.

The depressed exchange rate helps to preserve artificially depressed prices for Russian output. The discrepancy between domestic and world prices makes any measures to prevent the mass leakage of raw material resources at clearly depressed prices ineffective.

The preservation of depressed prices for Russian output also creates potential for corruption that law enforcement organs are quite unable to cope with.

A depressed currency exchange rate is more effective even than customs duties in protecting the domestic market from competition from imported goods and services. As a result the national economy, pampered by sheltered hothouse conditions, loses extremely powerful stimuli to development along with an intensive exchange of information, and is therefore doomed to years and decades of stagnation.

Consumer incomes and demand in dollar terms remain depressed, so the population's level of consumption is maintained at an artificially low level.

A depressed exchange rate is conducive to continuing flight of capital, hampers the inflow of foreign direct and portfolio investments, and blocks the start of economic growth.

Banks Say New Reserve Rules Threaten Accord With Government

MK2004104095 Moscow KOMMERSANT-DAILY in Russian 20 Apr 95 p 1, 5

[Report by Sergey Viktorov, Gleb Baranov: "The State Wants the Banks To Pay for Everything"]

[FBIS Translated Text] Chiefs of the Association of Russian Banks [ARB] and representatives of Russia's largest banks held a news conference in Moscow yesterday devoted to the latest novelties regarding the mandatory creation of reserves. All the bankers' statements boiled down to the conclusion that if the state confiscates the banks' money through the system of mandatory reserves, there will be neither loans to the government from bank consortia, nor purchases of treasury bonds, nor investment in production.

The Russian banking community has not seen such a scandal since the emergence of the Statute on the Procedure for Applying Provisions of Edict No. 1006, which required all enterprises to have a single account in both rubles [R] and hard currency. In the view of ARB representatives, as a result of the introduction of the new rules at least R25 trillion rubles will be withdrawn from banks and transferred to the Central Bank, which will force the banks to raise interest rates and lower deposit rates. A representative of Avtobank estimated a fall in ruble deposit rates that would follow in this case at 20-30 percent.

Mr. Vinogradov, president of Inkombank, said that by his estimates that budget revenues will be R21 trillion short as a result of a drop in bank profit tax payment, while approximately one-third of the 25 largest banks will end up losing money by year's end. In this case, Mr. Vinogradov said, there will be no consortium to give the government a loan in return for collateral in the form of privatized enterprises' equity, just as there will be no bank purchases of treasury bonds, to say nothing of investment in the production sector. Moreover, the Inkombank president suggested that such tight reserve regulations would help achieve a stabilization or even a

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

rally of the ruble against the dollar, which would ruin the oil and gas sector, and, alongside the bankruptcy of numerous banks, bring about a revolutionary situation by fall.

Importantly, Mr. Vinogradov formulated in his statement proposals for possible further talks with the authorities. He said that in principle he is even ready to accept reserves on all accounts, but "within reasonable limits." Mr. Vinogradov cited a tentative limit of 14-15 percent as an acceptable amount of reserves. He also urged the abolition of 2-percent reserves for hard-currency accounts, because for banks engaged mostly in hard-currency operations this would mean huge losses on the exchange rate difference alone.

What does this dream actually mean? To all appearances, the authorities have in fact decided to come to grips with inflation and to deliver on their promise to international finance organizations to bring monthly inflation down to 1 percent by year's end. But since the state itself turned out completely incapable of cutting its spending or to defeat the budget deficit, the sole way to make ends meet at its disposal is to borrow money from the private sector.

So, it has started "borrowing" from banks. The Finance Ministry plans to sell treasury bonds worth about R30 trillion mostly to the banks. The government is not averse to receiving a loan from a bank consortium against collateral in the form of state-owned blocks of shares in enterprises worth R9 trillion. The Economy Ministry urges the banks to invest in production, the proportion being four rubles in private investment to one state ruble. And now they are obliged to increase mandatory reserves to 25 trillion rubles to boot. For goodness' sake, dear sirs, who can endure this?

The banks, of course, will find it hard to make so many sacrifices at one time. For this reason two scenarios are possible. First, the Central Bank forgoes the tightening of reserve rules one way or another or softens them considerably (we have a precedent where events evolved in a similar fashion—this is how the struggle against the requirement that enterprises have only one account ended). As compensation, the banks will be enthusiastically buying treasury bonds and giving the government consortium loans. If the softening does not take place, however (second scenario), the question of paying compensation will be raised all the same, but this time to banks by the government. This compensation may take on the most diverse forms. For one ought to help commercial banks implement the government's large-scale budget plans, after all.

Chubays Promises To Regulate Securities Market

MM2004100795 Moscow TRUD in Russian 19 Apr 95 p 4

[Interview with Russian First Vice Premier Anatoliy Chubays "specially for TRUD" by the Russian Federation Government Commission for Economic Reform Press Service; place and date not given: "Anatoliy Chubays: 'The Government Is on the Investors' Side'"—first paragraph is introduction]

[FBIS Translated Text] New normative documents regulating the activity of finance companies are being prepared. The new procedure should protect investors' rights, according to the first vice premier of the Russian Federation Government.

[Press Service] A strict procedure which contains rules for the issuing of securities that are the same for everyone and a procedure for placing them and which establishes the liability of those who issue them—that is what we are now working on. The Federal Commission for Securities and the Stock Exchange has been set up under the Russian Federation Government. Such a procedure already exists for municipal loans—a loan must be registered at the Finance Ministry without fail, and the size of the issue, the schedule for the placement of the loan, and other financial parameters are defined. The federal commission is now drawing up a procedure for issuing and placing housing loans. The main criterion is that investors' rights be reliably protected.

[Press Service] The inhabitants of many cities, like, for example, Nizhniy Novgorod and Volgograd, where finance companies are actively engaged in attracting the population's resources, run into the problem that companies lack appropriate authorization and licenses.

[Chubays] All these companies—major, Russia-wide ones, albeit not located in Moscow—emerged during a period when legislation in this sphere was very weak. Some people have tried to work honestly. Some people have exploited this weakness. The situation cannot be put right overnight. The government's Federal Commission for Securities is now conducting a detailed analysis of companies' financial documents. A uniform organizational and legal form is being worked out. Ideally we need a law which regulates the activity of such companies. And such a law is in the offing. An edict is being prepared which will prescribe the period during which companies will either have to convert into the new form with a set of obligations and appropriate liability or cease to exist.

[Press Service] After the headline-grabbing cases of speculation that we have known, investors' feelings are understandable. In some cities—Volgograd, for example—people are laying siege to the administrative organs. What can you do here to reassure people? Perhaps simply suspend their activity for a while?

[Chubays] Whose activity—the activity of such financial companies? That means ruining all those companies. And consequently putting millions of people who have entrusted their money to them in a difficult situation. No, I do not think that we need decisions like that. I have already said that intensive work is under way to drawn up an edict. We are creating and introducing a new

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

procedure and will make all organizations in the securities market comply with it. We are saying, as it were: If you wish to take the population's money and the population itself is prepared to put its trust in you and hand over its money to you, fine; but this must be done in accordance with a procedure laid down by the state. Violation of this procedure will be punished very severely and firmly. The population can be assured here that we are on its side.

Government Plans Medium-Term Securities Issue

MM2104104695 Moscow TRUD in Russian 20 Apr 95 p 3

[Report by Feliks Goryunov: "Young But Not Green"]

[FBIS Translated Text] The youngest of Russia's financial markets—the state securities market—is growing almost like the Pushkin fairy tale—not by the day but by the hour. Born in May 1993 with the first issue of state short-term zero-coupon bonds, the market in state short-term bonds had even the following year exceeded in buying and selling terms the total turnover of all other types of Russian securities. In two years over 30 issues have been produced, successfully floated, and promptly paid off. Although the state's domestic loans are not restricted to short-term state bonds it is these loans which have attracted 12 trillion rubles [R] and in 1994 covered about 20 percent of the budget deficit.

This year to cover the budget deficit the government intends to borrow about R31 trillion on the domestic financial market—2.5 times more than in the previous year. State short-term securities will account for 70 percent of all state loan emissions. So the constant increase in turnover on the secondary market for bonds of this type is no accident: The volume of annual trading in state short-term bonds sometimes exceeds R300 billion.

Alongside the "brief" state short-term loans (with a turnover time of three, six, and 12 months) the Ministry of Finances will begin in the next few months to issue medium-term (for two to three years) securities. It has already announced the issue of a "gold" certificate with a nominal value of one kg of gold (about $12,500 at its present price) and federal loan bonds with a floating (fluctuating) interest rate whose yield will be linked to the yield of three-month state short-term loans. In August the issue will begin of currency bonds with a lower nominal value than previously issued domestic state currency loan bonds, which had nominal values of $1,000, $10,000, and $100,000. The reduction in the nominal value is obviously intended to attract to state currency bonds currency which has been actively bought in recent years by man Russians to protect themselves against the devaluation of the ruble.

The plans which the Ministry of Finances is nurturing to begin the issue of state securities like state short-term bonds capable of attracting the population's savings are also geared to small investors. What the terms of the issue of "popular" state short- term bonds will be, the date they will be floated, and their yield, are not yet known. But considering their initially high reliability there can be no doubt that they will extract sizable monetary resources from thrifty citizens' socks and will take away similar sums from the builders of financial pyramids.

A special role in the further development of this market will be played by commercial banks. It is thanks to them that the young state securities market has turned out not to be "green." Leading Russian design bureaus have swiftly mastered what is for them a new financial instrument and are offering their major and not very major clients the most advantageous and convenient schemes for working with state bonds.

Moscow Government Floats Loan Bonds

MM2104100395 Moscow TRUD in Russian 20 Apr 95 p 3

[Report by Andrey Nikanorov: "Moscow Issues Bonds"]

[FBIS Translated Text] In June 1995 the Moscow Government will begin the floating of a bond of 5 trillion rubles [R] guaranteed by the shares of privatized enterprises in the capital. They will be coupon vouchers with a yield of 120 percent per annum paid annually.

The Moscow property funds guarantees the yield of the bonds by two methods. First, by the shares of 2,000 enterprises reserved as the city's property. Second, by operations on the financial market which the Moscow investment corporation under the city's government will conduct as general manager of this loan. For these operations it intends to use R3.4 trillion received from the sale of bonds. The remaining R1.6 trillion will be used to finance the city administration's investment programs.

The attraction of the Moscow Government loan, especially to major investors, lies in the fact that when the bonds are repaid their owners can convert them into shares in enterprises used as security for the loan. The list of these enterprises will soon be approved by the capital's government.

The scheme suggested by Moscow for using the shares of privatized enterprises as security in attracting financial resources from the stock market could also be used by the federal government which is now holding talks with a number of commercial banks on the transfer to them in trust of the shares of privatized enterprises. (See TRUD 18 April, "Banks Hold Out Their Hands"). In any case some bankers believe this scheme to be most reliable and honest since the floating of the Moscow loan will be at open auctions.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Export, Import Liberalization Questioned

MM2404113495 Moscow ROSSIYSKAYA GAZETA in Russian 21 Apr 95 p 14

[Article by Valeriy Oreshkin, deputy director of the "All-Russian Market Situation Scientific Research Institute" joint-stock company, from "Business in Russia" section: "Liberalization Is Not Dogma"]

[FBIS Translated Text] The issue of the president's March edicts on the liberalization of foreign activity (edicts no. 244 and 245) mark a breakthrough in the formation of Russia's foreign trade regime. On the one hand they are dictated by a consideration for domestic economic realities and are aimed at reforming the insufficiently effective system for the administrative regulation of foreign economic activity and on the other they are dictated by the need to fulfill the demands of international financial organizations for the liberalization of foreign trade—that is one of the conditions for receiving Western credits.

A natural question arises—how far does the new regime accord with the interests of those taking part in foreign trade operations and of the state as a whole?

Inasmuch as the licensing system has not ensured price and currency control over the export of the main items of Russian export while at the same time leaving wide scope for corruption, then the decision to retain it for a restricted range of output is entirely justified. But the abolition as of 25 March of the institute of special exporters seems rather hasty.

In our opinion there was some point in extending its operation at least until the end of the present year. Despite its imperfections the previous system nonetheless made it possible to effect the more or less high-quality selection of skilled traders and to control their operations. Now a mass of structures with no professional experience of work on foreign markets will try to join in the export of basic currency-intensive commodities.

So a certain interval of time is needed during which both the actual participants in foreign economic activity and the organs controlling them would adapt to the new system. Within the framework of this interval special exporters could, as they say, drag the load, gradually yielding their positions to the unions of producers and exporters of raw material commodities with nonstate status who are actively gathering strength.

But since things have turned out the way they have we must think about what to do to ensure that Russian exports do not suffer.

There has long been a need for the tough integration of currency and price control over export operations which are still disrupted. Moreover, to this day the system for filling in the "transaction passport" does not extend to other customs regimes regulating the export of goods including re-export and also barter operations and the export of services and transactions in rubles. This omission should be made good in the very near future. Otherwise there will be an "avalanche" of Russian exports at dumping prices and the scales of the currency leak will grow still further.

In addition it is essential to introduce at an accelerated rate the inspection of the quantity and quality of the goods which are exported, introducing a standard document combining the "transaction passport" and certificate of registration of the contract with the inclusion of price terms and technical specifications of the exported goods. Information from operational control attests that manipulations involving the quantity and consequently the price of commodities enable exporters to hide abroad up to 30 percent of their currency profit that remains unaccounted for.

Right now the press is widely discrediting yet again the problem of introducing new rates for customs import duties. Here the proposed change in rates is linked mainly with the implementation of one of the three functions of the import tariff—the protectionist function. Let us be frank, the new increased rates will not fulfill this function as has been shown in particular by experience nearly a year ago when, in the interests of Russian producers and primarily producers of agricultural output, they were increased. It is perfectly clear that an attempt is being made yet again, and an attempt which has not been thought through, to swell the budget by means of fiscal revenue from import. Yet it is also obvious that as a result of a possible reduction in import purchases there could be a decline in the volumes of sale of goods imported from abroad on the domestic market and as a result the budget will fail to receive substantial sums in tax revenue.

That the import tariff should have a certain flexibility and be built with a consideration for the interests of national producers and consumers is something that everyone understands but one must have a clear idea of the economic consequences of drastic changes in this field. Under present conditions it seems to me that an important role for the protection of Russian consumers could be played by quantitative and technical regulators of imported output. After all, on this plane our import is the most liberal in the world. In particular the system for the certification of goods should be extended to all imports and consequently one cannot understand why to this day it does not operate with regard to imports—even for a restricted range of goods—from the CIS countries.

The regulation of imports should also consider one more Russian reality Under conditions when more or less effective barriers are gradually being erected on the path of the illegal outflow of currency abroad through exports, an increasing amount of money is leaving the country illegally via import deals through the transfer of currency abroad under fictitious contracts.

Obviously as additional measures to step up currency control we should envisage the compulsory drawing up

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of a transaction passport for import contracts, establish a time limit between buying currency to make payments for imports and the direct implementation of these payments, and oblige importers to submit to banks documents confirming that goods have been dispatched to Russia upon completion of the deal as an essential condition for further participation in foreign economic activity.

Soskovets: Value of Known Natural Resources Is $29 Trillion

LD2104183295 Moscow INTERFAX in English 1609 GMT 21 Apr 95

[FBIS Transcribed Text] MOSCOW, April 21 (Interfax)—The gross value of Russian natural resources, which are known about and appraised in world prices, is 29 trillion dollars and the prognosticated price - over 140 trillion dollars, Russia First Deputy Prime Minister Oleg Soskovets said in the Russian Academy of Mining Sciences today.

He said Russian mining enterprises' output continues to decline. The annual decline in the output of commercial ferrous ore is 10- 15 percent. The extraction of oil, coal, copper, silver, lead and zinc have fallen 20-30 percent against 1990. Russia currently extracts practically no manganese ore.

Soskovets said Russia was now going through a difficult time. He said, "we have no one to lay our hopes on. Whatever assistance is offered us, we are the only ones who can help ourselves really." Soskovets said he believed that the main purpose of the Russian Academy of Mining Sciences should be to work out a strategy and tactics for developing the country's mining-extracting complex.

Energy Minister Opposes Cry for Oil Export Liberalization

MK1904103095 Moscow SEGODNYA in Russian 19 Apr 95 p 1

[Report by Aleksandr Bekker in the "Stability" column: "The Fuel and Energy Ministry Promises To Get the Government To Review the Excise Tax Rates. The Oil Industry's Reaction to Their Increase Is 'Highly Negative'"]

[FBIS Translated Text] The condition of the fuel and energy complex remains stable despite the "dramatic difficulties" in its work. This was announced by Fuel and Energy Minister Yuriy Shafranik at a press conference yesterday. According to him, oil production in the first quarter has fallen 2.3 percent as compared to the corresponding period of last year. Meanwhile, export has grown by 5 million tonnes. At the same time, the minister is concerned over the constantly growing nonpayments by consumers of fuel and energy complex products. Today, he said, last year's situation is being reproduced, when oil refineries, overstocked with fuel and lubricants, stop accepting raw materials. The oil refineries' refusal for its part is due to the fact that consumers do not pay for shipments made. "All efforts by the ministry are now directed at reducing consumers' debts, and ensuring fuel deliveries for the plant and harvesting seasons, and for northern navigation," Shafranik said.

The minister stated that the sector is orienting itself toward replacing imported equipment with domestic goods. This year it is planned to reduce procurements abroad by $1.5 billion and to channel these funds for buying domestic equipment, partly from conversion plants. "The task is that this equipment should be every bit as good as foreign-made equipment in reliability and not exceed it in price," he said. Foreign partners, who have supported the Fuel and Energy Ministry's line—from sales of equipment to Russia to after-sales servicing, and next to co-production schemes using Russian enterprises' facilities—are also being invited to join the project.

Shafranik said that he is critical of demands by international financial organizations to liberalize oil export. "Their literal implementation would primarily damage joint ventures," he said. Implementing the principle of equal access to the "pipe," the authorities, according to Shafranik, would have to link the volume of export with the volume of extraction, in direct proportion. Shafranik's assessment of the oil excise tax increase as of 1 April was even tougher: Reaction to this by enterprises has been sluggish but "highly negative." According to him, for the fuel and energy complex to work at last year's level—with a small amount of investments—the complex will additionally need approximately 6 trillion rubles. Considering the 8 trillion rubles the fuel and energy complex owes to budgets of all levels, the "financial hole" will expand to 14 trillion rubles. The ministry is preparing a corresponding document on fuel and energy complex financing, and the government, Shafranik assured, "will yet return to the issue of the size of the excise tax."

LUKoil Will Not Start Selling Stock to West Until 1996

LD1304145695 Moscow INTERFAX in English 1044 GMT 13 Apr 95

[FBIS Transcribed Text] MOSCOW, April 13, (FIA-Interfax)—LUKoil, Russia's major joint-stock oil company, plans to start selling 15 percent of its stock to foreign businessmen through the American Depository Receipt (ADR) no earlier than 1996.

LUKoil's management reported to the Financial Information Agency, a preliminary agreement has been reached with the US company Miller and Lents to audit LUKoil in accordance with international standards. Such an audit is essential to float company shares on the international market. The American KPMG is LUKoil's

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

general auditor and the Bank of New York is the guarantor for foreign investment in the project.

Experts note that since LUKoil has done more than other companies to promote its shares abroad, it stands the best chances to be the first to make its securities available to foreign investors.

One LUKoil share cost $26-27 on average on the Russian market last week, its highest price was $40. The nominal cost of one share is 125 rubles. Russia's Fuel and Energy Ministry estimates the company's potential at 15.7 billion barrels of oil (around 2.6 billion tonnes).

Formerly a state-run concern, LUKoil was transformed into a joint-stock oil company by the Russian government ruling of April 6, 1993. The total charter capital of the company's subsidiaries totals over 21 billion rubles. Last year, LUKoil produced more than 45 million tonnes of oil and gas condensate, over 15 percent of the year's oil extraction in Russia.

LUKoil Takes Share in Caspian Oil Development

LD2104174295 Moscow ITAR-TASS in English 1551 GMT 21 Apr 95

[By Igor Ivantsov]

[FBIS Transcribed Text] Moscow, April 18 (ITAR-TASS)—The Russian fuel and energy minister Yuriy Shafrannik said on Friday that Russia's participation in developing oil fields in the Caspian Sea will not be narrowed to LUKoil's participation in an international consortium.

"There is no doubt that Russia's share in projects aimed at developing oil fields in the Caspian Sea will not be limited within the frame work of the consortium", the minister told TASS.

The Russian LUKoil company has a ten percent share in the consortium, which, according to the minister, will demand "substantial efforts" from the Russian party.

That is why Russia plans to increase its participation in developing the Caspian oil, attracting its other companies with appropriate funds, Shafrannik noted.

Shafranik Cited on Lucrative Oil Projects

MK2204092095 Moscow SEGODNYA in Russian 22 Apr 95 p 2

[Report by Aleksandr Bekker under the "Prospects" rubric: "Oil Projects Promise Russia Big Income. It Remains To Put Pipelines in Place"]

[FBIS Translated Text] The practical realization of the Caspian Oil-Pipeline Consortium (COPC) project, under which oil from Kazakhstan's Tengiz oil fields will be pumped through a Russian pipeline to terminals in Novorossiysk, has begun. Taking part in the COPC are Oman (50 percent of the incorporation capital), and Russia and Kazakhstan (25 percent each). In the words of Fuel and Energy Minister Yuriy Shafranik, "the work is proceeding right on schedule," and the laying of pipes in trenches will begin early next year. To enable this, arrangements are now being made for rights-of-way on the territory of Kalmykia, and Stavropol and Krasnodar Krays. Studies are being made for building two underwater pipeline tunnels across the Volga. The final details of the legal, tax, and design and surveying solutions are being worked out. "Unless one thinks in advance about transportation of the raw material, any, even the most "golden" of projects will remain in question," the minister said. He said this equally applies to the oil-production projects on Sakhalin, in the Baltics, and on Azerbaijan's shelf (where the Russian oil company LUKoil is taking part). Therefore, the government decided to concentrate certain financial resources in order to check out the state of the pipeline between Sakhalin and Komsomolsk (to inspect its underwater part and to do repairs on dry land).

Whereas the COPC is the first example of a nonstate pipeline project, the Baltic pipeline consortium marks the next step. A commission is being set up on the initiative of the Fuel and Energy Ministry to study the question of having it fully financed by shareholders—without government guarantees. Stressing the COPC's social significance, Mr. Shafranik said that, during the realization of the project's first phase alone, Russia is going to net $100 million for financing wages. "Think how many people will have appropriate pay." To be spent on the COPC this year is $75 million, most of which will stay in Russia in the shape of orders.

Dwelling on the Priobskoye oil fields (in the north of Tyumen Oblast), whose development tender was awarded to the "Yuganskneftegaz" Joint-Stock Company and the American "Amoco," the minister said that a government commission has already been set up to draw up a product-sharing agreement. The ministry specialists' long experience in the "Sakhalin-1" and "Sakhalin-2" projects has stood Priobskiy in good stead: it took virtually six months to get the project approved and start financing the work. Such a major project (with reserves of 700 million tonnes and $50 billion spent by the participants to develop it over the years) will be formalized in an intergovernmental agreement between Russia and the United States. The project is likely to be discussed soon by the Gore- Chernomyrdin commission.

Talks on the development of the Timano-Pecherskaya province oil and gas fields are facing much harder going. True, Mr. Shafranik remarked that "we have been dealing with this difficult project for a mere year." The Fuel and Energy Ministry head thinks it is the State Duma that could get all the oil projects really going. "If parliament passes in one package and in a single vote laws on product sharing, on oil and gas, on concessions, and on reserves, that would pave the way for investments of many billions," Mr. Shafranik said. He also noted that the "Rosneft" company has been designated, for the transition period, to be the operator—that is to say, the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

organization in charge of selling the state's share of oil in all the projects. This is recorded in President Yeltsin's recent edict. At the same time, in the minister's words, the edict does not prohibit the government from making special decisions on specific projects to substitute "Rosneft" in them with some other seller in the shape of some other competing company.

Text of Decree on State Regulation of Gas Prices

MM2404120995 Moscow ROSSIYSKAYA GAZETA in Russian 21 Apr 95 First Edition p 3

[Russian Federation Government's Decree No. 332 dated 15 April 1995 signed by Prime Minister Chernomyrdin in Moscow "On Measures To Rectify the State Regulation of Prices for Gas and the Raw Materials for Its Production" carried under the general heading "Subsidies for Gas"]

[FBIS Translated Text] For the purpose of rectifying the state regulation of prices for gas and the raw materials for its production, to increase the level of profitability of the work of gas-processing enterprises, and to ensure the uninterrupted supply of natural and liquid gas to the population, the Russian Federation Government decrees:

1. To establish that wholesale prices for oil-well casinghead gas supplied to gas processing plants for further processing and the extensive fractionation of light hydrocarbons and liquid gas for domestic needs are to be approved by the Russian Federation Ministry of Economics in coordination with the Russian Federation Ministry of Finance on the basis of the recommendation of the Russian Federation Ministry of Fuel and Energy.

The Russian Federation Ministry of Economics, in coordination with the Russian Federation Ministry of Finance and on the basis of the recommendation of the Russian Federation Ministry of Fuel and Energy, is to conduct a quarterly review of wholesale prices for this output.

The Russian Ministry of Fuel and Energy is to promptly convey information on changes in prices for this output to suppliers and consumers.

2. To establish that retail prices for natural gas sold to the population and to housing construction cooperatives and liquid gas sold for domestic needs (apart from gas used as vehicle fuel) are to be approved by the executive organs of the components of the Russian Federation in the light of social protection measures for the population in the manner and on the terms laid down by decree no. 935 of 22 September 1993 of the Council of Ministers-Government of the Russian Federation "On the Transfer to the New System of Payment for Housing and Municipal Services and the Procedure for Giving Citizens Compensation (Subsidies) When Paying for Housing and Municipal Services" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, no. 39, p. 3620) and Decree no. 1329 of 23 December 1993 of the Council of Ministers-Government of the Russian Federation "On the Addition of the Council of Ministers-Government of the Russian Federation's Decree no. 935 of 22 September 1993" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, no. 52, p. 5092).

3. In 1995 the Russian Federation Ministry of Finance is to allocate subsidies for the production and sale of liquid gas for the population's domestic needs and the extensive fractionation of light hydrocarbons and stripped dry gas using resources provided in the federal budget for the corresponding purposes.

4. To recognize that paragraph seven of decree no. 678 of 13 July 1993 of the Council of Ministers-Government of the Russian Federation "On the State Regulation of Prices for Natural Gas and Other Types of Energy Sources" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, no 29, p. 2690) has lapsed.

This decree enters into force from the day of its signing.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

Government Decree on Gas Prices Assessed

MM2404140695 Moscow ROSSIYSKAYA GAZETA in Russian 21 Apr 95 First Edition p 3

[Commentary by Vyacheslav Goncharov under the general heading "Subsidies for Gas": "Comment on Document"]

[FBIS Translated Text] Government Decree No. 332, which is published in our newspaper today, substantially alters the system of price formation for oil-well casinghead gas supplied to gas processing plants for further processing, the extensive fractionation of light hydrocarbons, and also for liquid gas for domestic needs. More accurately, what is being changed is the procedure whereby these prices are submitted and approved. Previously this was the prerogative of the government. Furthermore, prices for gas approved by the government back in July 1993 are still in force.

Henceforth, however, these prices will be regulated by departments. Prices will be approved by the Ministry of Economics in coordination with the Ministry of Finance. On the basis of the Ministry of Fuel and Energy's recommendation. And the responsibility for the economic validation of prices now rests exclusively on those ministries. We will soon be able to see for ourselves how well they cope with what is a new role for them because those prices are outdated and need to be amended urgently.

There is one more change which affects the broadest strata of the population. From now on retail prices for

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

natural and liquid gas are to be approved by the executive organs of the components of the Federation. They have also been empowered to introduce the corresponding concessions for individual categories of consumers. Incidentally, the Finance Ministry has been instructed to allocate subsidies for the production and sale of liquid gas for the population's domestic needs this year. So let us hope that the impending change in prices for gas will not be a serious blow to the pocket of its main consumer—people living in the countryside and people in dachas.

Zaveryukha: Russia Must Become Independent in Food Supplies

LD2004164195 Moscow INTERFAX in English 1319 GMT 20 Apr 95

[FBIS Transcribed Text] YAROSLAVL, April 20 (Interfax)—Russia "will have to gain independence in food supplies yet," but even now it "can and must" ensure the production of basic food products for itself, Deputy Premier Aleksandr Zaveryukha told a conference of leading officials from the agroindustrial complex of Yaroslavl Region (Central Russia) on Thursday.

In 1992 Russia imported 28 million tons of the 56 million tons of grain used as human food or fodder. In the past two years Russia not only gave up grain imports, but also managed to export about three million tons from last year's crop, Zaveryukha said.

Nevertheless he noted that the quantity of farm produce has decreased by 25 percent against 1990. According to him, the government decided "not to experiment with the countryside - let farmers themselves choose the form of work on their land - and continue its policy of support for domestic producers."

As Zaveryukha said, the upcoming rise in customs tariffs will be one of protection measures. This year the tariffs for imported beef are to rise by 20 percent and for poultry meat by 25-30 percent (at present the customs duties for meat average 15

). The customs duties for milk products and other foods will also be revised; duties will be levied on the exports of grain and oil-yielding seeds from Russia.

Thursday afternoon Zaveryukha left for Kostroma Region.

Minister: Sowing Held Up by Fuel, Fertilizer Shortage

LD2104232595

[FBIS Editorial Report] Moscow ITAR-TASS World Service in Russian at 1505 GMT on 21 April carries a 400-word Moscow-datelined report by ITAR-TASS correspondent Aleksey Filatov citing Aleksandr Nazarchuk, Russian Federation minister of agriculture and food, saying in a telephone hook-up conference on 21 April that enterprises of the petrochemical complex are holding up the spring sowing. Officials of central ministries and departments and heads of the agricultural bodies of republics, territories, and regions took part in this conference.

Nazarchuk reported that so far, spring sowing has been carried out on slightly more than 3 million hectares, whereas it had to be carried out on 70 million hectares. He named about 30 petrochemical enterprises that had not supplied villages with fuel and fertilizers in spite of governmental orders to do so.

Heads of agriculture from the Altay and Krasnodar territories and the Chita and Saratov regions complained of delays in supplying villages with machinery and equipment. Aleksandr Zaveryukha, deputy chairman of the Russian Government, said that the personal responsibility of heads of the petrochemical complex will be discussed at a governmental sitting.

Spring Sowing Pace 'Totally Inadequate'

MM2004145295 Moscow PRAVDA in Russian 20 Apr 95 p 1

[ITAR-TASS report: "Sowing Not Keeping Pace With Spring"]

[FBIS Translated Text] Commenting on the summary of the spring sowing campaign prepared by the Russian Federation State Committee for Statistics, Ivan Gridasov, chief of the Ministry of Agriculture and Food Main Administration for Agriculture, reported that this year spring sowing will have to be carried out over an area exceeding 70 million hectares. By mid-April over 3.3 million hectares of fields had been sown.

Describing the rate of work, Gridasov said that it was slightly faster than last year's but totally inadequate for this year's conditions, whereby efforts must be increased literally every day. Unfortunately, because the countryside has been poorly supplied materially and technically with petroleum oils and lubricants and fertilizers, machinery is often idle, valuable time is being lost, and sowing is taking too long.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Kuchma Attacks Europe's 'Wait-And-See' Stand

LD2104204595 Kiev UT-1 Television Network in Ukrainian 1800 GMT 21 Apr 95

[FBIS Translated Text] Ukraine's President Leonid Kuchma today received a delegation of the European Parliament. He said that Ukraine is sincerely seeking accession to European structures as soon as possible, and cooperation. However, Europe, as always, takes a wait-and-see stand and intervenes with the developments when they have already become a fact of life. The president of Ukraine pointed out that this is not the best way toward understanding and cooperation, however, he expressed satisfaction with the fact that the European Union is searching for ways toward mutual understanding. A number of other important issues were touched upon during the conversation.

Ukrainian Official Elected Deputy Chairman of CIS Body

LD2104193395 Kiev UNIAN in Ukrainian 1600 GMT 21 Apr 95

[FBIS Translated Text] Moscow—At the session of the CIS Interstate Economic Committee [IEC] Presidium today, Volodymyr Novytskyy, first deputy minister of industry of Ukraine, was elected deputy chairman of the board of the Interstate Economic Committee—a permanent working body that is functioning in between the sessions of the IEC Presidium.

Representatives of Belarus, Kazakhstan,, and Georgia spoke out for stepping up the role of the board and for making its decisions compulsory for the governments of the CIS countries. IEC Presidium Chairman Oleksiy Bolshakov proposed that the board should be vested with the powers enabling it "to summon ministers and chairmen of the boards of Central Banks in the CIS countries to meetings in order to coordinate their stands."

The leader of the Ukrainian delegation, Ukraine's Deputy Prime Minister Serhiy Osyka, said that this does not correspond to the IEC regulations.

After that, the presidium decided to collect within 10 days proposals on the procedure of the board's work and then to make a final decision.

Ukraine Rejects CIS External Border Accord

LD2104132695 Kiev UNIAN in Ukrainian 1130 GMT 21 Apr 95

[FBIS Translated Text] Moscow [No date as received]—"Ukraine finds the concept of CIS external borders unacceptable and, therefore, did not sign the treaty on cooperation in guarding these borders," Col-Gen Ivan Bizhan, Ukrainian deputy defense minister, told UNIAN after a meeting of the CIS Council of Ministers of Foreign Affairs today. Ukrainian First Deputy Foreign Minister Borys Tarasyuk led the Ukrainian delegation.

The 13 points on the agenda of the meeting included a draft concept of the treaty on cooperation in guarding CIS member states' borders with states that are not part of the commonwealth.

Ivan Bizhan explained that Ukraine has its own national border the status of which does not concern a state of which Ukraine is a neighbor. He said Ukraine put forward a draft of its own, to be examined by the Council of Ministers of foreign affairs. "Most countries, agreeing to it, will sign the Russian version," Ivan Bizhan said.

He added that Ukraine supported a proposal by Georgia to coordinate activities in the settlement of the crisis in Abkhazia and is ready to send observers to that region.

Udovenko Addresses CEI Session in Krakow

LD2204191695 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 22 Apr 95

[FBIS Translated Text] Ukraine's Foreign Minister Hennadiy Udovenko spoke at the session of the Associated Council of the members of the Central European Initiative [CEI] in Krakow. He analyzed that organization's activity, assessed it in an in-depth and comprehensive manner, and put forward a number of constructive proposals. After the session, he had a one-hour long conversation with Poland's Foreign Minister Wladyslaw Bartoszewski.

On Saturday Ukraine's foreign minister returned to Warsaw where had several meetings with Polish leaders. He is expected to be present at the Easter service in one of the churches in Poland's capital.

Udovenko, Polish Minister Meet, Pledge Cooperation

LD2304171295 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 23 Apr 95

[FBIS Translated Text] Ukrainian Foreign Affairs Minister Hennadiy Udovenko and Jerzy Jaskiernia, Republic of Poland justice minister and prosecutor general, have met in Warsaw. Their conversation focused on coordination and expansion of activities by Ukrainian and Polish law enforcement agencies to combat international organized crime. The ministers looked at other areas of joint work and, in particular, political cooperation. The Polish minister underlined that his government unconditionally recognizes the inviolability of existing borders and the territorial integrity of the Ukrainian state. Minister Jerzy Jaskiernia gave assurances that Poland would support Ukraine in every aspect of international activities.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Shmarov Reports No Progress in Black Sea Fleet Talks

LD2104194795 Kiev UT-1 Television Network in Ukrainian 1800 GMT 21 Apr 95

[FBIS Translated Text] Valeriy Shmarov, Ukraine's deputy prime minister and defense minister, held a news conference today in Kiev on the results of the participation of Ukraine's military delegation in the negotiations between the defense ministers of the CIS countries, which recently ended in Moscow.

I would like to remind you that Ukraine takes part in the collective security system only as an observer. At the same time, Valeriy Shmarov told journalists that at the latest meeting in Moscow, Ukraine joined the Coordinating Council of the United Air Defense Systems of the CIS members. This means that our country will provide and, in its turn, receive information on the state of the air space.

Ukraine also became member of the Coordinating Committee for Issues of the Military and Technical Policy. Therefore, from now on we have the right to count on regular deliveries of arms, hardware, and spare parts from other CIS countries.

As far as the Black Sea Fleet problems are concerned, the defense minister emphasized, the negotiations did not result in any essential progress toward resolving the issue of dividing the fleet. Sevastopol remains the main obstacle in this way. As earlier, Russia has come out against the basing of the Ukrainian Navy and its headquarters there.

Marchuk: Talks With Yeltsin 'Frank,' 'Constructive'

AU2104120095 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 20 Apr 95 p 1

[UKRINFORM report: "Yevhen Marchuk: 'The Agreement Will Be Signed on the Eve of the Victory Day'"]

[FBIS Translated Text] Ukraine's Acting Prime Minister Yevhen Marchuk, who headed our state delegation at the Ukrainian-Russian negotiations, on 18 April met with President Boris Yeltsin of the Russian Federation.

After the meeting, Yevhen Marchuk told journalists that the talk had been frank and quite constructive. In the course of it, Boris Yeltsin took off the agenda what was in fact the main issue, on which there had been differences, namely the formulation of articles on state borders. The Russian president agreed with the Ukrainian formula: "The sides respect each other's sovereignty and confirm the inviolability of the borders that exist between them." The Russian president gave instructions that the text of the agreement be left as it was until the president signs it.

Yevhen Marchuk pointed out that, in their talk, Boris Yeltsin supported his idea that "The Crimea will never become an apple of discord between Ukraine and Russia, in particular, a cause for conflict in our mutual relations." The parties to the talks stated that, unfortunately, the problem of the Black Sea Fleet had not yet been resolved. At the same time, B. Yeltsin focused on the need to conduct all of our future negotiations on this issue in accordance with the formula of the Moscow agreement of April 1994. The Ukrainian side is of the same opinion, Yevhen Marchuk pointed out.

On the same day, Yevhen Marchuk had a long talk with Viktor Chernomyrdin, head of the Russian Federation Government, and met with Ivan Rybkin, head of the State Duma of the Russian Federation.

Touching upon a possible date for signing the general political agreement by presidents of Ukraine and Russia, Yevhen Marchuk believes that this event will take place prior to celebrating the 50th anniversary of the victory in the Great Patriotic War.

In the course of the visit, an interstate agreement on the exchange of legal information was signed.

Financial-Industrial Group To Be Set Up With Russian Plants

WS2104133995 Lvov INFOBANK in English 1245 GMT 21 Apr 95

[From the "News Service" feature]

[FBIS Transcribed Text] The administration of the Mykolayiv clay-soil factory, the only enterprise in Ukraine which produces raw material for the aluminum industry, is planning to begin the process of issuing shares from June 1. This decision was made at a meeting of factory personnel. Part of the shares of the future joint-stock company are planned to be forwarded to the Krasnoyarsk and Bratsk aluminum factories (Russia), with which the Mykolayiv clay-soil factory intends to create a common financial-industrial group. At present, the negotiations about the division of shares in the statutory fund of the future company are ongoing. At the same time, the process of expansion of the clay-soil factory is taking place: recently, the Dnipro-Buh port, previously a separate enterprise, was connected to the factory, and there are plans to build their own aluminum-producing department.

Turkmen Gas Supply Debt Repayments Discussed

LD2304083195 Ashgabat TURKMEN PRESS in Russian 1240 GMT 22 Apr 95

[FBIS Translated Text] Ashgabat, 22 Apr (TURKMEN PRESS)—The regulation of accounts between Ukraine and Turkmenistan were discussed at a 21 April Kiev working meeting between government delegations of the two countries. The two sides decided on a number of specific measures to speed up the repayment of Ukraine's debts for Turkmen natural gas supplies. In particular, a proposal that the Ukrainian debt for 1993

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

could be repaid ahead of schedule by drawing in third countries was supported. The decisions on this will come into force once they are approved by the Ukrainian and Turkmen governments.

The Ukrainian side also accepted a proposal from the Turkmen Government that diplomats and military specialists for Turkmenistan could be trained at educational establishments in Ukraine, which would be set against repayments of the principal capital of the 1993 debt.

In addition, by 25 April, Ukraine is to pay $10 million for natural gas delivered in the first quarter of this year.

The terms for delivering foodstuffs to Turkmenistan were also agreed. In the near future Ukraine will send meat, animal fats, and no less than 50,000 tonnes of flour and 50,000 tonnes of bread grain, to be set against the debt.

In April-May the Ukrainian Energy Ministry and the Ukrresursy Corporation will supply electrical engineering goods in accordance with an agreement signed earlier with Turkmenistan.

Turkmenistan's constructive position on matters of mutual accounts were thus further developed at the Kiev talks, and once again confirmed the Turkmen side's firm determination to adhere strictly to all points of bilateral agreements.

National Affairs

President Gives Easter Address to Nation

LD2104190595 Moscow INTERFAX in English 1639 GMT 21 Apr 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Ukrainian President Leonid Kuchma in an Easter address to the nation on Friday [21 April] said that by celebrating the resurrection of Christ, the country was asserting its own revival. He called on the nation to abandon vanity and think of the country's future instead.

Kuchma is confident that all Ukrainian citizens regardless of creed will make all the necessary effort to convert theirs into a free society.

He said the Church had a significant role in unifying the people and in building Ukrainian statehood.

The president called for reconciliation, understanding and unity as a way of building a democratic state.

Ministry To Ensure Implementation of IAEA Accord

LD2204131695 Kiev UNIAN in Ukrainian 1100 GMT 22 Apr 95

[FBIS Translated Text] Kiev—On 19 April, Ukrainian Acting Prime Minister Yevheniy Marchuk issued instructions assigning to the Ministry of Environment and Nuclear Safety of Ukraine the responsibility of the body in charge of implementing the agreement between Ukraine and the International Atomic Energy Agency [IAEA] on the application of safeguards to the nuclear materials in civilian nuclear activities, the Cabinet of Ministers of Ukraine press service informed UNIAN on 22 April.

These instructions "aim at fulfilling Ukraine's international obligations with regard to the nonproliferation of nuclear weapons and ensuring proper control over the production, use, and transfer of nuclear materials."

Communist Party Official: 'No Alternative' to Socialism

LD2204145795 Kiev UNIAN in Ukrainian 1100 GMT 22 Apr 95

[FBIS Translated Text] Kiev—"The working people of Ukraine will soon understand that Ukraine has no alternative to socialism," Petro Symonenko, the first secretary of the Communist Party of Ukraine [CPU] Central Committee, told a ceremony on 21 April to mark the 125th anniversary of the birth of Vladimir Lenin. "A temporary setback suffered by socialism in the USSR does not mean that it has been defeated," Petro Symonenko said.

The celebration was attended by Oleksandr Tkachenko, the first deputy chairman of the Supreme Council of Ukraine, while Supreme Council of Ukraine Chairman Oleksandr Moroz greeted the assembly in a message.

On 22 April, representatives of the CPU city organization laid flowers at the monument to Lenin. The ceremony was followed by a "Leninist subbotnik" [voluntary work] in several of the capital's districts.

Moroz Hopes Crimea Will Obey Ukrainian Constitution

LD2104195895 Moscow INTERFAX in English 1801 GMT 21 Apr 95

[FBIS Transcribed Text] KIEV, April 21 (Interfax)—Chairman of the Ukrainian parliament Oleksandr Moroz expressed conviction that it will be possible to find "a proper civilized decision on Crimea which will reflect respectful attitude of the Ukrainian leadership to power structures in this autonomy."

At the same time, he said at a press conference in Kiev Friday that the process of the Crimean Supreme Soviet's entering Ukraine's constitutional field will speed up.

"I think that there are all appropriate grounds for this," he said and called the strive of part of the Crimean deputies to form Supreme Soviet of the autonomous republic of Crimea "a positive process."

Moroz believes that "today one can find a sound majority in Crimea's Supreme Soviet" which should be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

guided by "a strategic task" - preserving Crimea's Supreme Soviet as a power body while making their choice.

According to Moroz, this task should be fulfilled "in order to preserve democratic processes in the state as a whole and in Crimea in particular."

Crimean-Ukrainian Parliament Talks Break Down

LD2204164995 Moscow ITAR-TASS in English 1631 GMT 22 Apr 95

[By Lev Ryabchikov]

[FBIS Transcribed Text] Simferopol, April 22 (ITAR-TASS)—The Ukrainian-Crimean interparliamentary talks have been practically broken by the non-arrival of Kiev deputies with the exception of Eduard Pavlenko in the Crimean parliament building today.

"Pavlenko is the only member of the Ukrainian temporary commission who is trying to find a way out from the dead end together with us," head of the Crimean delegation and Deputy Crimean Parliament speaker Aleksandr Frolov told ITAR-TASS. He praised Pavlenko's manner "to speak confidentially and without pressure."

"We would like the whole Ukrainian delegation to speak with us with respect and on equal terms. Unfortunately, delegation heads Yuriy Karmazin and Dmitriy Stepanyuk do not even try to do it but just impose their stand. This has a sobering effect on those deputies who signed the appeal for transformation of the Crimean Supreme Soviet into the Supreme Soviet of the autonomous republic," said Frolov. In his words, one of those deputies telephoned him on Friday and said that he signed the appeal under pressure and would like to withdraw his signature. Other signatories to the appeal had "commercial reasons" and feared deteriorated relations with the Ukrainian Government.

Some say that the lack of progress at negotiations is caused by the insufficient status of the sides. In the opinion of Deputy Fedor Snegirev, "the complicated Crimean problem cannot be solved at the current level. Presidiums of both parliaments should meet and dot their I's once and for all."

Crimean Speaker Serhiy Tsekov does not participate in the talks. Speaking at a congress of his party, the ruling Republican Party of the Crimea, he said that the majority of Crimean deputies are against the Kiev decision to transform the Crimean Supreme Soviet into the Supreme Soviet of the autonomous republic. "We must be consistent in our actions. The people of the Crimea must be our arbiter," said Tsekov.

Crimean Government Meets; Appoints New Deputy Premiers

LD2104175195 Kiev UNIAN in Ukrainian 1145 GMT 21 Apr 95

[FBIS Translated Text] Simferopol—A draft budget for 1995 and addenda to the 1994 budget have been tabled at the Crimean Government session. An ad hoc group was set up to work up the documents. UNIAN was informed of this at the Crimean Government's press service.

The government also considered a program for stabilizing the socioeconomic situation in the autonomous republic, which was drafted under the decree of the Cabinet of Ministers of Ukraine. According to Crimean Deputy Economics Minister Tetyana Shandra [name and title as received], the main priorities of the program are the development of the fuel and energy complex, water supply, and acceleration of the process of deported nations' settling down.

The Crimean government has been reshuffled. Oleksandr Krasnychenko [name as received] was appointed acting deputy prime minister for the agroindustrial complex, and Ruslan Zilbervarh [name as received] was appointed deputy minister of agriculture and food.

Crimean Official Attempts To Seal Meshkov's Office

LD2204141595 Moscow INTERFAX in English 1326 GMT 22 Apr 95

[FBIS Transcribed Text] SIMFEROPOL, April 22 (Interfax)—On Saturday [22 April] the Crimean government's office manager Gennadiy Vishnyakov and his deputy Nikolay Kryuchenko "secretly entered the building of Crimean parliament and tried to seal the offices of President Meshkov's aides," spokesmen for the president's staff told Interfax.

According to the parliament's office manager Viktor Kovol, "no government official asked him to approve this action; no one even notified him of it."

President Yuriy Meshkov himself and his aides are in their offices, the spokesmen said.

On Friday the local news media said that the offices of presidential aides were sealed on instructions from acting Prime Minister Arkadi Demidenko, and that the aides are prevented from entering the parliament building.

Skepticism at Parliament Bomb Threat

954F2121B Simferopol KRYMSKIYE IZVESTIYA in Russian 19 Apr 95 p 1

[Interview with Vladimir Zhukov by V. Titov; place and date not given: "This Is a Practiced Scenario"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] [Titov] Vladimir Mikhaylovich, how do you assess today's incident?

[Zhukov] The point is that the Crimean question is once again being decided in the parliament of Ukraine today. As we all know, following Tsekov's speech in the Russian Duma, the Ukrainian Parliament instructed the two commissions to return to this subject. And the "mine-laying" action, evidently, was carried out in accordance with a scenario that had been tested long since. Last year, during Saburov's term, the government building was "mined" on several occasions in order to drive him out in some way. The same is happening now also.

[Titov] But perhaps the threat was real?

[Zhukov] Some deputies were in the building and saw that all this was an imitation, so to speak. Combat engineers went around the basements without any instruments, looking for some bomb or other visually. And this "bomb" will be in the air until a decision on Crimea has been made, what is more. This, generally, does not correspond to logic. Had the building really been mined, it would now be surrounded by fire trucks and ambulances. In addition, this may be seen as a general rehearsal. As the leader of the proletariat said, "more drastic measures are anticipated for the future." How all this will end will depend on the position of Russia, on whether it leaves its compatriots who live on this peninsula under the conditions of a police regime or speaks up in their defense.

[Titov] Who, in your opinion, has the most interest in spurring tension?

[Zhukov] Certain political parties which consider themselves democratic are contributing to this. They include both the not- unknown Economic Revival of Crimea Party and the Union in Support of the Republic of Crimea, and this alliance has also been joined as of late by Shuvaynikov's Russian Party, which is discrediting the Russian idea more than anyone. Their mission is to clear out parliament, which is as yet the sole obstacle en route to "plunderization." As we know, a year ago parliament imposed a moratorium on privatization, and this was done on the initiative of Shevyev himself at that time, what is more, inasmuch as the then Saburov government wanted to undertake this privatization, but with a certain degree of social justice. Although it is hard to say in such cases that all interests would have been observed. Now, however, these parties have their own representatives in the government, who occupy key positions and who have every opportunity to undividedly dispose of Crimean property. To the ordinary mortal there would then remain only some unrealized hopes from this privatization. Some 5-10 percent of the new bourgeoisie would come to possess Crimean property, and the role of cheap manpower, which could be shown the door at any moment, would lie in store for the rest.

[Titov] So the orgy of crime is connected primarily with privatization?

[Zhukov] Saburov was afraid that it would take the criminal path, and this is what is actually happening today. The position of President of Ukraine Kuchma in regard to the fact that he has gambled not on decent people but on those whose reputation has been besmirched to some extent is altogether astonishing. I understand the position of the mayors in swearing fealty in order to remain at the helm of power inasmuch as their chances at a new election would be very slim.

[Titov] We can no longer manage without reforms today. But it is impossible to implement them under such conditions....

[Zhukov] I understand that reforms are necessary, but we cannot enter the market in such a wild fashion, when enormous detachments of honest, decent people are left "overboard," and power passes to a fattening handful of new nouveaux riches, who on this wave of legal turmoil are becoming the owners of capital. But these are not patrons of the arts and who are always prepared to share inasmuch as these people are characterized by cupidity and the need to grab more and more spheres of influence on our peninsula in order subsequently to hold undivided sway.

Deputy Justice Minister on Establishing New Legal System

WS2404103695 Kiev INTELNEWS in English 0441 GMT 23 Apr 95

[Interview with Deputy Justice Minister Mykola Khandurin by Olha Vaulina; place and date not given—first paragraph is INTELNEWS introduction]

[FBIS Transcribed Text] Ukraine is presently engaged in the effort to comprehensively overhaul the criminal and civil codes it inherited from the Soviet Union. INTELNEWS correspondent Olha Vaulina spoke recently with Deputy Justice Minister Mykola Khandurin about this effort, and about the other challenges faced by those trying to establish a modern legal system in the wake of Ukrainian independence.

[INTELNEWS] Do you think it is possible to establish a legal state under the conditions of economic crisis that confront our country?

[Khandurin] I will put it straight—it is not possible. In the foundation of any legal state always lies civil society. And from 70 to 80 percent of this society's members must have sufficient incomes. As for today's Ukraine, 5 percent of its population constitute the so-called elite, 10 percent—a middle class, and more than 70 percent of our compatriots live under the poverty line. If there is not a developed economic basis, there are no preconditions for the formation of the society's middle class. We must be realistic—given the present sharp inequality in our society, crime and legal nihilism may only grow.

[INTELNEWS] However, the foundation of Ukraine as a legal state is being laid today. What are the basic principles?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Khandurin] Democracy is strong in those countries where the legal system is strong. So many changes have taken place in our state lately, even social relations have changed...Still, some legal institutions do not undergo any evolution. What is essential is to radically reform the existing legal basis to reflect current socio-economic and political developments. Legal institutions must ensure human rights first, as it is in all civilized countries. Our objective is to develop a viable legal mechanism. Besides, although additional financing is required to correct obsolescent legislation, in our situation it is an unaffordable luxury.

[INTELNEWS] Will the Ukrainian legal system follow in its development the Western path or it will find its unique way?

[Khandurin] Although we carefully study the relevant experience of Western countries, this does not mean that we are going to blindly copy it. We should keep in mind specifics of the Ukrainian people's mentality and the potential and experience accumulated by Ukrainian jurists, which needs to be preserved. Now Ukraine has a wonderful opportunity to avoid repeating other's mistakes by taking into account the experience of Western countries while developing its new legal system.

[INTELNEWS] The Justice Ministry has developed several concepts concerning the reform of Ukraine's legal system. In particular, the civil code and the design of a new judicial system have been worked out. What are the new ideas behind these projects?

[Khandurin] One of the basic ideas of judicial and legal reform is to establish a special investigation committee or department within the Justice Ministry. Investigators should not be subordinated either to public prosecutors or to the security service or the Internal Affairs Ministry. Investigating officers must be as independent in their decision making as judges.

According to the new concept of legal and judicial reforms, labor camps for convicted prisoners will be subordinated to the Justice Ministry to help the Internal Affairs Ministry perform its major functions, such as providing investigations, combating organized crime and ensuring public order. So far about two thirds of the Internal Ministry's personnel have been engaged in fire fighting operations, visa registration services, etc.

These steps would not require much additional financing. By the way, a trillion (KBV) [karbovantsi] was allocated this year to finance the penitentiary system in Ukraine. As soon as the penitentiary system is placed in our ministry's jurisdiction, we will start reforming it. Given that more than two-thirds of convicted criminals are first-time law violators, I think that other than imprisonment measures of punishment—such as fines, financial penalties, obligatory public works, etc.— must be broadly practiced, unless we are dealing with persons that have committed capital crime.

As for the civil code, or, as it is sometimes referred to, the 'new economic constitution,' it is a markedly market-oriented document. In this concept, a citizen is valued above the state. The purpose of the civil code was to pave the way for new economic relations. But there is no point in enacting this Code unless a new constitution is adopted.

[INTELNEWS] Do you plan to introduce juries in Ukrainian courts, as has been done in Western countries?

[Khandurin] We do. But we believe that juries must be involved in such cases which may entail a capital punishment or life imprisonment. As for the popular opinion that jury members are not professionals, I disagree with it. I think that judges, who are professionally trained, are, so to speak, professionally deformed, which prevents them from being truly objective.

[INTELNEWS] Justice Minister Vasyl Onopenko stated that the major objective of his department was to create an efficient 'inexpensive legal system.' What did he mean by it? Inexpensive legal systems can cost a great deal.

[Khandurin] He meant that legal procedures must be simplified and streamlined, which would lead to lower operating costs and less bureaucracy.

[INTELNEWS] And a couple of words more about money. What funding will the 'third power' receive this year?

[Khandurin] According to the 1995 budget, KBV 4.2 trillion will be allocated this year for this purpose, which accounts for 50 percent of the sum required to ensure normal functioning of the legal system until the end of the year. At least we will be able to live relatively comfortably for half a year.

[INTELNEWS] Can the servants of justice be truly honest guards of the law despite their unreasonably low financial position?

[Khandurin] This is a serious problem indeed. The average (monthly) salary of a judge in Ukraine amounts to KBV 7 million (less than $50), and a Deputy Justice Minister earns KBV 12 million a month. Although these salaries are among the highest in Ukraine, they are not sufficient anyway.

[INTELNEWS] In the course of anti-mafia campaigns, it became clear that the 'third estate' has been afflicted by corruption and bribery. Would you comment on this situation, please?

[Khandurin] True, this has really taken place. Three judges were arrested last year, and two criminal proceedings were initiated this year on allegations of bribery. Given that there are 3,500 judges in Ukraine, this is not negligible.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Space Agency Officials on Possible Deals With U.S.

WS2104134595 Lvov INFOBANK in English 1245 GMT 21 Apr 95

[From the "News Service" feature]

[FBIS Transcribed Text] James Shoemaker, the U.S. Temporary Charge d'Affairs in Ukraine, in a letter to the Deputy Foreign Minister, Kostyantyn Hryshchenko, informed that the United States and Ukraine may start the first round of negotiations regarding an agreement on the utilization of Ukrainian space rockets for commercial satellite launches in the near future. According to the agreement, the U.S. side is ready to consider the issuance of export licenses for commercial launches using Ukrainian Zenith and Cyclone rockets.

As UNIAN informed on April 20, the National Space Agency of Ukraine is forming a delegation to take part in the negotiations. One of the top officials at the Agency said that the current situation is favorable for striking deals between the Dnipropetrovsk-based Pivdenne (Southern) Industrial Association and U.S. companies like Rockwell Aerospace and Space Systems-Loral with regard to purchase of Ukrainian space technologies and components.

As Andriy Zhalko-Tytarenko, the Head of the National Space Agency, informed our INFOBANK correspondent, the contracts may stipulate the launching of up to 24 satellites of the U.S.-initiated Global Star low-orbital communications system by Ukrainian Zenith rockets. Another 24 satellites of the system will be launched by Russian Proton and American Delta rockets.

Ecological Organizations Release Data Concerning Chernobyl

LD2304112395 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 23 Apr 95

[FBIS Translated Text] A Chernobyl lesson will be conducted at all Ukraine's secondary and higher schools of learning on 26 April. It will be conducted on the initiative of the Ukrainian Peace Council, the Green World, and Greenpeace Ukraine ecological associations.

The documents prepared by the above organizations say that the explosion at the Chernobyl nuclear power station was one of the most tragic events in the life of the Ukrainian nation. The negative consequences of the catastrophe are not diminishing even nine years after it occurred.

At present, over 800,000 children in Ukraine suffer from the consequences of the irresponsible Chernobyl experiment. More than 2.5 million people live on the contaminated territories. However, the residents of Kiev have not yet been put into the category of Chernobyl victims despite the fact that, according to all indices, they should belong to this category.

Government Statement on Chernobyl Closure

LD2404092995 Kiev UNIAR in Ukrainian 0830 GMT 24 Apr 95

[FBIS Translated Text] Kiev [No date as received]—The Cabinet of Ministers has adopted the text of a Ukrainian Government statement on problems of the Chernobyl nuclear power station. The Cabinet of Ministers' stance on the said issue was acknowledged as expedient for demonstration to international organizations and the world community.

The statement emphasizes that the development of power engineering is a priority for the further development of Ukraine's economy. In implementing this program, the government attaches paramount significance to steadfastly abiding by the principles of safe operation of nuclear power stations and to constantly increasing the level of their ecological reliability.

The Ukrainian Government perceives with understanding the world community's concern at the continuation of the operation of the Chernobyl nuclear power station, where an accident with large-scale negative consequences occurred nine years ago. And Ukraine is doing everything to search for possibilities to close the station, taking into account the necessity of adhering to safety demands at all stages of this process.

To this end a number of measures to modernize the Chernobyl nuclear power station were taken in the post-accident period, which made it possible to substantially increase the safety level of the Chernobyl nuclear power station.

At the same time the statement stresses that Ukraine is unable to independently halt the Chernobyl nuclear power station, which is one of the greatest producers of electric energy in our state, in a tightened schedule. Taking it out of operation must without fail be preceded by the implementation of a program of preparatory measures, including stabilizing the system of energy supply in Ukraine as a whole.

One should also see to the construction of repositories for waste nuclear fuel and radioactive waste, the resolution of the problem of the cover facility, the social welfare of the station's personnel, and so on.

According to expert assessments, refusal to continue operating the Chernobyl nuclear power station will lead to total losses of $4 billion. Ukraine does not have such huge funds, and therefore counts on financial assistance from the world community or on a gradual implementation of the above-mentioned comprehensive program.

Expert Stresses Continuing Hazard

AU2104164095 Kiev MOLOD UKRAYINY in Ukrainian 20 Apr 95 p 1

[Interview with Kostyantyn Rudya, adviser to the minister of environmental protection and nuclear safety, by Volodymyr Oliynyk: "We Keep the Situation Under Control"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] [Oliynyk] Mr. Rudya, people in the West are very alarmed by the state of nuclear safety at Ukraine's atomic electric power plants [AES]. There have recently appeared many misrepresentations of the real state of affairs. What can you say about this?

[Rudya] The fate of the Chernobyl AES, where RBMK [Soviet light water cooled graphite moderated reactor] are used, is undoubtedly at the center of attention today. We must say that whereas the direct causes that had led to the Chernobyl tragedy were removed, the design characteristics that had caused such a major accident still present a hazard.

[Oliynyk] What are these causes?

[Rudya] The first general cause is the fact that the equipment is of low quality and reliability and is physically and materially obsolete. This particularly refers to the equipment essential for safety purposes: the systems for control and protection. One feels concerned as there is no system for pinpointing a possible accident; the radioactive materials are outside the [protective] barriers, more specifically, outside the first circuit. The creation of such a protective barrier for RBMK reactors is very problematic in view of the large size of the so-called active zone and also because such a barrier has to be fixed on the existing reactor, so that something will have to be reworked, changed, and so on. Nor is there protection of the safety systems from negative effects that may arise in emergency situations. When the piping bursts, water and steam get into unprotected pumps causing them to fail precisely at the moment when they should function with great intensity.

Yet another important aspect that must always be remembered is the vulnerability of the RBMK to ruptures in the control rod guide tubes. For example, the rupture of two or three guide tubes may lead to an accident similar to that in 1986 because the built-up pressure will overcome the protection barrier and the entire radioactive content of the reactor will be ejected into the environment. Generally speaking, reactors of the RBMK type have no safety provision. At present, after modifications have been performed, there is still no provision for safe operation. One more aspect, which became obvious at a later stage of operation of RBMK reactors—the narrowing of the clearance between the graphite rod and the guide tube. As the unit ages, during the accumulation of neutron flyuins [word as transliterated], the graphite walling and graphite rings along the channels swell, and this may lead to the destruction of the unit with known consequences. This is an objective process which cannot be slowed down when the unit operates. That is why, sooner or later, a moment will come when further operation becomes impossible. At the first unit of the Chernobyl AES, this clearance is expected to disappear in 1997 and at the third unit—two years later. This means that the Chernobyl AES needs to be closed down by the year 2000 and the issue of its reconstruction must also be considered. All the shortcomings listed above lead to the conclusion that, instead of rebuilding, it is more advantageous to close down the Chernobyl AES and then build a new electric power plant. It is more advantageous to build new nuclear units than to modernize old ones. However, it is too early to speak about this, because the issue of global significance is on the agenda—Ukraine's general power engineering strategy.

[Oliynyk] What is the safety situation of the nuclear reactors used in Ukraine's other atomic plants?

[Rudya] If one analyzes the situation in Ukraine, there are no grounds for speaking about serious deterioration of safety at the AES's. There certainly are difficulties, but the State Committee for Atomic Energy is resolutely dealing with them. This concerns, first and foremost, the issue of maintenance personnel that quite actively migrated to neighboring Russia. However, this problem has now been almost resolved, and in Sevastopol qualified specialists are being trained at a military institute to service nuclear power engineering. In the past, military specialists were trained there to service nuclear submarines of the former Soviet Navy. Nor should one forget that the level of safety of the VVR [water-water] reactors is generally higher than that of RBMK reactors operating at the Chernobyl AES.

[Oliynyk] Are there problems with storing radioactive waste and does Ukraine need a plant for reprocessing radioactive waste, because, as is known, Russia does not reprocess Ukrainian radioactive waste mainly because Ukrainian power engineers cannot pay for that work?

[Rudya] The problem is acute, but the situation is not critical. I do not think that it is necessary to build a plant for reprocessing radioactive fuel in Ukraine. It is much simpler—and this matter is already looked into—to store the spent fuel and radioactive waste in special storage facilities which will be located within tectonic faults. Fortunately, we have them. This will have to be the procedure until a National Storage Facility for Radioactive Waste is built. Incidentally, the first such facility is being built, with the help of American specialists, in Zaporizhzhya. Therefore, the situation with radioactive waste is under control.

Radioactive Steam Leaks at Zaporozhye Nuclear Plant

LD2204173095 Kiev UNIAN in Ukrainian 1550 GMT 22 Apr 95

[FBIS Translated Text] Kiev—During the testing of safety system components at the first generating set of the Zaporozhye nuclear power station, which was stopped on 19 April for an overhaul, a large quantity of radioactive steam found its way into the rooms housing the main equipment of the reactor compartment of the generating set. The escape was due to incorrect operation of one of the main valves that regulate steam pressure. UNIAN received this information from one of Ukraine's nuclear departments today.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Safety systems' automatic connection prevented the situation from being aggravated. The water that has accumulated in the rooms is now being pumped out to be further decontaminated.

Various nuclear experts preliminarily qualify the incident between the first and third levels, according to the international scale of events at nuclear power stations. The final assessment will be made on the results of an investigation.

Ukraine To Organize Nuclear Fuel Production

LD2104155095 Moscow ITAR-TASS in English 1459 GMT 21 Apr 95

[By Viktor Demidenko]

[FBIS Transcribed Text] Kiev, April 21 (ITAR-TASS)—Ukraine is planning to organize the production of nuclear fuel. A resolution "On Creation of Nuclear Fuel Cycle in Ukraine" has been adopted by the republican government with the aim to hold a closed international tender and choose the technology and partner for a joint venture to make fuel elements, tablets and nuclear fuel assemblies, a source at the Ukrainian cabinet has told ITAR-TASS.

"The resolution is quite regular bearing in mind Ukraine extracts and processes uranium and has everything necessary to organize its own production of nuclear fuel," Chairman of the Ukrainian State Commission for Nuclear Power Engineering Mikhail Umanets told ITAR-TASS. "Ukraine so far sends semi-finished products to Russia, and then buys the fuel from it at the world price. One should not forget that Ukraine also extracts zirconium, the metal used in production of fuel elements. The Ukrainian zirconium is sent to Russia and returns back in fuel elements at the world price."

In the opinion of Umanets, the only dangerous and so far poorly adjusted link is uranium enrichment. Ukraine does not plans to do it. It wants to get enriched uranium from Russia, France, Germany of Kazakhstan [as received] which have corresponding productions.

In the words of the committee chairman, Ukraine has everything necessary to make its own fuel production cycle. This fuel will be cost 25-30 per cent less than the one delivered from abroad.

Economic Issues

Kiev Publishes Details of 1995 Budget

LD2104200095 Moscow INTERFAX in English 1801 GMT 21 Apr 95

["INTERFAX-UKRAINE" news item; all figures as received]

[FBIS Transcribed Text] KIEV, April 21 (Interfax - Ukraine)—The Ukrainian Supreme Soviet issued a resolution Friday [21 April] to approve the country's budget with revenues for 1995 at 1,314,639,817,500,000 karbovantsy and expenditures at 1,646,059,087,400,000 karbovantsy.

According to the resolution published by the newspaper Golos Ukrainy Friday, the maximum deficit was set at 331,419,269,900,000 karbovantsy.

Credits of the National Bank of Ukraine worth 182,480,000,000,000 karbovantsy and external sources of financing worth 148,939,269,900,000 karbovantsy will be used to cover the budget deficit.

The budget plans to receive as revenues 188,042,684,600,000 karbovantsy from the value-added tax, 66,018,810,000,000 karbovantsy from the profit tax, 33,720,004,800,000 karbovantsy from excise duties and 19,447,301,000,000 karbovantsy from the 30-percent tax on land.

In addition, a total of 52,030,904,000,000 karbovantsy will be received from individuals as incomes taxes, 4,494,260,000,000 karbovantsy from customs duties and 55,205,750,000,000 karbovantsy from foreign trade.

Enterprises' deposits with a special fund for activities to eliminate the after-effects of the Chernobyl disaster and social insurance will amount to 83,831,920,700,000 karbovantsy. The rent payment for oil and gas produced in Ukraine and the gap in the prices of gas are set at 197,148,000,000,000 karbovantsy. Allocations to the pension fund will total 368,930,000,000,000 karbovantsy.

The budget expenditures on social insurance will amount to 64,965,543,000,000 karbovantsy, while a total of 1,235,689,000,000 karbovantsy will be spent to regulate retail prices.

In addition, a total of 144,281,283,300,000 karbovantsy will be used to finance social and culture organizations, while another 28,000,000,000,000 karbovantsy will be invested as state capital investments.

Privatization of Agricultural Services Progressing at 'Swift Pace'

WS2104134795 Lvov INFOBANK in English 1245 GMT 21 Apr 95

[From the "News Service" feature]

[FBIS Transcribed Text] As it was reported to an INFOBANK correspondent at the State Property Fund of Ukraine, 1,350 collective farms and 135 beet collective farms were designated by the Ministry of Agriculture and the State Committee for Food Industry to be privatized by the end of the year. As of January 1, 1995, 243 state agricultural businesses had been privatized in Ukraine, though it had been planned to privatize 919.

According to evaluations of specialists of the State Property Fund, the privatization of businesses of the processing and service industries of the agricultural complex is progressing at a swift pace (25 percent are

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

already privatized), though not quickly enough. In the canned dairy products, tobacco, oil-fat, candy, and beer- nonalcoholic industries, the respective rates of privatization are 67, 72, 64, 71 and 58. At present, all wool processing businesses, 54 percent of milk processing businesses, 46 percent of meat processing businesses, and 43 percent of livestock feed factories are privatized.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

Lukashenka: West Must Finance Continued Arms Destruction

LD2104142495 Moscow INTERFAX in English 1242 GMT 21 Apr 95

[FBIS Transcribed Text] MINSK, April 21 (Interfax-West)—Belarusian President Alyaksandr Lukashenka has said that the scrapping of arms, suspended two months ago on his instructions, will be resumed "only if the West fulfils its commitments for financing" the operation. According to him, around $100 million is needed to do this.

Speaking Thursday [20 April] night on the republic's TV, Lukashenka said that Belarus will not scrap military technology using money "from the state budget."

He said that recently he had received a letter signed by Russian Prime Minister Viktor Chernomyrdin, which "in the form of an ultimatum, raised questions of implementation by the Belarusian side of the bilateral agreements aimed at creating a zone of free trade and on a customs union". Lukashenka said that "the Russians are not in the know that Belarus has solved many problems already," he expressed confidence that "all disputable problems" will be solved during his meeting with Russian President Boris Yeltsin.

Speaking about the three-month stability of the Belarusian ruble against the US dollar ($1 equals 11,600 Belarussian rubles), the president said that while initially the ruble rate was being held by "directives", now the National Bank and the government check the fall in dollar rate, and resources have been found to buy over $100 million at the interbank currency exchange.

Answering the question about expectations regarding inflation in the republic, Lukashenka expressed confidence that "if the Russian side fulfils its commitments on the earlier signed bilateral agreements, and 'the national industry permits', the inflation level in April may amount to no more than 10 percent."

Lukashenka's 'Victory' Over Press Viewed

WS2004131595 Minsk SVABODA in Belarusian 7 Apr 95 p 4

[Article by Andrey Syarzhan: "Lukashenka Bumped His Head Against the Wall Once Again. Having 'Raped' the Press, the President Acquired a Strong Enemy"]

[FBIS Translated Text] Those believing, through their simplicity or superfluous emotions, that our president is an unwise man (to put it mildly), are deeply mistaken. In that sphere of human activities, to which he has devoted himself, Lukashenka is wise, canny, farsighted, and very consistent.

If one recalls that the goal of any power is power itself, everything will become logical and understandable. Possibly, Alyaksandr Ryhoravich [Lukashenka] with companions celebrated his victory only during the first two weeks. Afterward, he began to strengthen his power in an active and well-considered way. There is no need to recapitulate the stages of this process—they are not too distant events. I would like to dwell on Lukashenka's last and very important victory—the complete takeover of the entire state- subsidized press. This victory seems to be particularly important in view of the fact that the independent press, due to its small circulation and its distribution difficulties, exerts a rather feeble influence on rural Belarus and the provinces.

A "Happy Opportunity"

The Bolsheviks in 1918 had a considerably easier task. All publications that opposed the new regime were simply closed—this was called a revolutionary necessity. Lukashenka, who studied the history of the CPSU at no less than two institutes, has become a talented learner. In other words, he has utilized the Bolshevik experience in a creative way.

It should have been expected that everything would begin with a lie. And so it happened: The president announced that as of now the press is free. Incidentally, the journalists remained skeptical about this. It was rather logical that the dirt flung at presidential candidate Lukashenka by some publications controlled by Kebich, demanded a counterreaction. President Lukashenka, however, was in no hurry—he was waiting for an appropriate opportunity.

Such an opportunity took the form of S. Antonchyk's famous report [on corruption in the government]. Alyaksandr Ryhoravich understood at once that there would be no better chance for him. It is still difficult to say whether the president's tears [after Antonchyk delivered his report] were a fine piece of showmanship or whether he was really scared. I am inclined to think that it was showmanship.

Judge for yourselves: By the end of 1994, Lukashenka had already placed his people in key posts in the central apparatus as well as in oblasts and rayons—the cadres revolution was completed. The problem of television and radio was resolved at the very start. Only the press remained.

Therefore, when SOVETSKAYA BELORUSSIYA was insolently published with a "blank spot," the destiny of editor in chief A. Asinski was predetermined. Incidentally, it was predetermined long ago; I will repeat—there was only a lack of opportunity.

As for me, I did not share the position of this newspaper, which offered an eclectic set of ideas and slogans, a kind of "salad" with an Eastern flavor. This, however, is not the point. The president smelled "blood," and pursued his case.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The RESPUBLIKA chief editor was also dismissed from his post. A rumor was set afloat among journalists that [former NARODNAYA GAZETA editor in chief] I. Syaredzich would be next in line.

The NARODNAYA GAZETA chief editor, a farsighted man, published Antonchyk's report when all passions had already subsided, and all of Belarus had already been familiar with Antonchyk's research in the field of corruption. Syaredzich outran Lukashenka like an experienced racer. There apparently was no reason for his dismissal. At the same time, Syaredzich killed two birds with one stone: He maintained his newspaper's image as "bold and honest," and remained at his post.

In my opinion, Syaredzich was betrayed by his ambitions. In essence, Rehina Zimnitskaya's letter [whose publication caused Syaredzich's dismissal by Lukashenka] might have been disregarded by the newspaper. However, the NARODNAYA GAZETA editor in chief apparently hankered for more popularity on the eve of parliamentary elections. As for Lukashenka, he was only waiting for something like that. And he finally got it. Moreover, there cannot be serious talk about violations of the law and the Constitution: One must know, with whom one is dealing.

Alyaksandr Ryhoravich showed once again that he is a strong politician. In the first place, he used the opportunity to his advantage; second—he did it at the right moment, when the Supreme Soviet was virtually scattered into groupings, groups, and individuals, primarily interested not in the NARODNAYA GAZETA chief editor's destiny, but their own. Syaredzich was simply "surrendered."

This way, Lukashenka took control over three newspapers with the largest circulation.

Is Everybody Happy?

However, there still remained ZVYAZDA and ZNAMYA YUNOSTI. There were rumors repeatedly circulated at the "Dom Druku" Printing House that the chair under the ZVYAZDA chief editor was very shaky. However, while analyzing the situation closely, and reviewing ZVYAZDA publications from the period of the presidential campaign, one has to conclude that those rumors were unsubstantiated. It was the ZVYAZDA editors who organized "direct call lines" with the future president. Seemingly, he did not forget that. However, a newspaper with such an orientation, with such a bias toward national revival topics (which in no way fits the president's internationalist escapades), is not needed by Lukashenka. So, how to make everybody happy? The solution is simple: through finances.

As is known, none of the state-owned newspapers are profitable. In addition, ZV[illegible]DA, published in Belarusian, is in the direst fin[illegible]ial situation. If I am not wrong, by the end of 19[illegible] [illegible]AZDA repaid some 20-25 percent of its publication costs.

Someone has said that "money is freedom coined." If so, then everything is clear. According to my information, a conference has recently been held at the Ministry of Printing and Information, where the financial problems of ZVYAZDA and ZNAMYA YUNOSTI were mentioned. For the time being, they were only mentioned. However, the government (read: the president) in not in a hurry to support these newspapers. Lukashenka has his own accounts to square with ZNAMYA YUNOSTI. As for ZVYAZDA, this newspaper does not suit his scheme to destroy the sovereignty of the state headed by him.

Alyaksandr Ryhoravich Has Stirred Up a Hornets' Nest

It is in the logic of things that every success is also followed by negative consequences. Having subordinated all the state-owned press to himself, Lukashenka incited processes that otherwise would develop very slowly.

First, he provoked an outflow of young and talented press journalists to other media. The usual practice—to be formally employed by the state-owned newspaper but to write for anyone but your employer—has taken on really wide proportions. The so-called nationwide newspapers, weak and provincial as they always were, are now descending gradually to the rayon-newspaper level. There simply are no hands to write for them; their basic "golden pen" staffs consist of pension-age people, old "party fighters," who do not care about whom and what they write.

Second, there has been a considerable rise in the oppositional press activity. New publications, not controlled by the government, have began to appear.

Third, Lukashenka's economic policies provoke an open discontent among entrepreneurs. I mean those businessmen remaining outside the governmental circles and not sharing their "slice of the pie." There are many of them. It is obvious that they will support the oppositional press. A union with Russia is not advantageous to our business circles, because much stronger Russian firms will simply choke Belarusian entrepreneurs.

Finally, Alyaksandr Ryhoravich has strongly enhanced the rating of the oppositional publications. This particularly refers to SVABODA, which increased its circulation to 60,000 copies in a very short time. The circumstances are such that people are beginning to trust only the oppositional press. This is the law of opposites in action: When an official newspaper reports that everything is okay, while SVABODA reports on what is really going on, people will trust SVABODA. This is a situation similar to that of Yeltsin, after he was banished from the Communist "paradise."

Belarus was always lagging behind Russia by two or three years. This means that the process of creating the true "fourth power" has already been activated. The longer it lasts the faster it goes. The point is not even the oppositional character of the publications, but their independence from state subsidies, which allows them to express opinions differing from the official view.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Thus, Lukashenka's triumph over the state-owned press has actually become a Pyrrhic victory. Moreover, the president once again confirmed the opinion, expressed many times, that he is consistently leading his country toward dictatorship. The post office and the bridges were captured by him earlier [allusion to the Bolsheviks' coup in 1917]. Now the press. All he still has to do is falsify the elections by pushing through OMON [special task police detachments] and police candidates to the parliament. And then you will have a police state.

Lukashenka, however, still does not take into account that Belarus is no village of Ryzhkavichy, and that dismissing a newspaper editor is not the same as dismissing a kolkhoz team-leader or a kolkhoz livestock department manager. Sooner or later, this may bring him down.

President on Industry 'Giant,' Decrease in Refinancing Rate

WS2104142995 Minsk BTK Television Network in Belarusian 1800 GMT 19 Apr 95

[Video report by A. Kruhlyakow and Z. Simaha—correspondents identified by caption]

[FBIS Translated Excerpt] Belarusian President Alyaksandr Lukashenka visited the Minsk Tractor Plant today. The reason for this visit, as people say, cannot be a happy one. The financial situation of this giant of Belarusian industry causes very serious concern. The plant, despite a large market demand for its production, has found itself among debtors. The president of Belarus came to seek reasons for such a situation. He was accompanied by representatives of the Cabinet of Ministers and the city authorities.

[Begin Lukashenka recording, in Russian] We will surely assist the tractor plant with a hard currency credit at this stage, assuming that they will repay this credit over the year. They will have money for repayment, because they are now expecting $33 million. Therefore, there is no fear about this assistance at the current stage.

Just imagine: Today the plant may work at its full capacity. The market may take all of their produced equipment, particularly for hard currency in the West. So, are there any obstacles to their work today? I wish that every enterprise was in such condition.

We must determine our policy on prices and wages. There are individual enterprises paying groundless wages. These groundless wages—that is, extremely inflated and undeserved—are a burden to all of us, including those with low wages. If the amount of paid money increases, then prices increase, too. Therefore, we also need here... [pauses] You surely feel that some small stabilization is taking place.

Yesterday I ordered the government to recall his majesty [National Bank Chairman] Bahdankevich, candidate for a deputy seat, from vacation to adopt a resolution on reducing the refinancing rate. We can reduce this rate from 25 percent to at least 15 percent. This will be a big help to both industry and agriculture. If affairs develop this way, and our industry does not let us down, then we will be able to reduce [the refinancing rate] to 8-10 percent, providing this trend is preserved. If only our industry does not let us down. [end recording] [passage omitted]

Problems of Financing Elections

LD2204162995 Minsk Radiostantsiya Belarus International Service in Belarusian 1800 GMT 21 Apr 95

[FBIS Translated Text] The issue of financing the elections is still on the agenda. Alyaksandr Abramovich, chairman of the Central Election Commission, met President Alyaksandr Lukashenka a few days ago. They reviewed the estimate of costs connected with the elections and, so to speak, squeezed it into the sum of 55 billion rubles. However, the Central Election Commission is concerned over the fact that the government has not yet found the funds which were allocated for the elections. It is hard to carry out such an election campaign on public enthusiasm alone, Alyaksandr Abramovich believes. If the elections do not take place, the deputies of the current Supreme Soviet will continue legislative activities.

President's Aide on Election, Church 'Appeals'

WS2404103895 Minsk ZVYAZDA in Belarusian 15 Apr 95 p 1

[Unattributed report: "Presidential Administration Is Getting Ready for Elections"]

[FBIS Translated Text] **At a 13 April news conference, Presidential Administration Deputy Head Mikhail Sazonaw stated what has been known to the politically active part of Belarusian society for a long time: "It will be disadvantageous for the president should the future parliament develop a confrontational attitude toward him. The president and parliament should work in unison."**

Mr. Sazonaw was vague on actions to ensure the realization of the president's intentions, but, as an example, cited the president's changed position with regard to putting forward candidates for deputy seats from the "presidential vertical structure." According to Mr. Sazonaw, in the first stage A. Lukashenka "regarded those people very negatively, and did not support their nomination." In the second stage, according to Mr. Sazonaw, "the president modified his attitude, and began to regard the nomination of candidates from his vertical structure positively." It was noted that the president is very upset with a small number of lawyers and economists among the registered candidates; in addition, the presidential administration fears that the parliament will be joined by people with negative attitudes toward the president. This was corroborated by facts from Belarusian regions that have recently been

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

visited by a representative of the presidential administration. According to Mr. Sazonaw, churches are voicing appeals to vote for the Belarusian Popular Front [BNF]. "The presidential administration is not going to ignore this, and if such a situation continues, then appropriate measures will be adopted. At any rate, the majority of Catholic priests are not Belarusian citizens," Mr. Sazonaw noted. Answering a ZVYAZDA question whether the "appropriate measures" will include the expulsion of priests, Mr. Sazonaw said: "The presidential administration has so far not reacted to campaigning for the BNF at churches, and there is no need to exacerbate this issue."

Commenting on the president's edict on equal possibilities for the candidates in the elections, Mr. Sazonaw underscored that the current legislation on elections does not rule out the issue of this edict. According to Mr. Sazonaw, while signing the edict, "the president was sincere in his intentions to secure equal election possibilities for all candidates. The struggle for deputy seats should not transform itself into a struggle of wallets."

Answering a ZVYAZDA question as to why the edict includes limitations not envisioned by the law on elections, Mr. Sazonaw said: "These limitations apply to all candidates, including those not in opposition to the president." Touching upon the coverage of the election campaign by the media, Mr. Sazonaw noted that it is difficult to find a direct violation of the law on elections in the press.

Eighty Percent of Enterprises on Verge of Collapse

LD2204162895 Minsk Radiostantsiya Belarus International Service in Belarusian 1800 GMT 22 Apr 95

[FBIS Translated Text] About 80 percent of Belarusian industrial enterprises have reached the line bordering on bankruptcy, as Industry Minister Uladzimir Kurankow said at the Collegium of the Ministry for Industry. Every other enterprise has not implemented the urgent anticrisis measures program of Belarus. There are 1.2 billion rubles worth of goods accumulated in warehouses. In the first quarter of this year the production slump continued and the volume of produced goods was reduced.

Speaking at the meeting of the collegium Mikhail Chyhir, the head of the Cabinet of Ministers, noted that industrialists in this difficult situation must count only on their own resources. They have to use internal reserves, to reduce production costs, and stop the practice of paying unearned money. The government today cannot provide substantial support to the industry. There is not enough money to finance budget organizations. Industrial enterprises owe the budget large amounts of money. As for hard currency injections from outside in the form of credits, they are very problematic: The IMF has refused to allocate money to Belarus and the European Economic Union has frozen credits, too.

Moldova

Lucinschi Signs 1995-96 State Privatization Program

AU2204152795 Chisinau INFOTAG in English 1910 GMT 21 Apr 95

[FBIS Transcribed Text] Chisinau INFOTAG, 21/4/1995—Parliament Speaker Petru Lucinschi signed the final version of the law on the 1995-1996 State Privatization Program, and the Parliament's statement on putting the law enactment, said today during a press briefing Zosim Bodiu, deputy minister of privatization.

The program shall come into force as from the day of its publication. Both the program and the list of objects to be privatized shall be published in near days.

As was announced during the briefing, the Republican Auction Commission today approved the results of the 6th nationwide subscription auction. A total of 146 thousand Moldovan citizens took part in the session, which offered 118 objects.

Next week the ministry will publish the results of the 8th auction, which offered 122 objects.

All subscription auctions, held from the very beginning of the mass-scale privatization, involved a total of some 1 million citizens, who became co-owners of 410 companies. Bodiu reminded that 30 April is the deadline for issuing national patrimonial bonds to citizens included into privatization lists.

Socialists Predict 'Powerful' Left-Wing Bloc

AU2104154795 Chisinau INFOTAG in English 1856 GMT 20 Apr 95

[FBIS Transcribed Text] Chisinau, INFOTAG, 20/4/1995—Left-wing forces in Moldova will inevitably join into one powerful bloc, believes Valeriu Senik, Chairman of the Socialist Party. At today's press conference, he expressed regret that such a bloc of socialists, communists and the Unity Movement failed to be formed before the recent local elections. "Even isolated, these three forces polled some 23 percent votes in the republic. In the long run, we shall find a common language and will set up the strong bloc to which future belongs," he stated.

Answering a question about the present-day distribution of political forces in the Parliament, one of socialist leaders, deputy Valentin Krylov, said that the Socialist Unity Faction backs Agrarian Democrats in many issues. Thank to the support, many crucial laws have been adopted already, including the fairly democratic Constitution.

However, he said, this gives no grounds to speak about forming a coalition, because in other issues the Agrarian Democrats cooperate with the opposition. The latest

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

example was last Wednesday [19 April], when the Agrarians and the opposition rejected the socialists' initiative to consider repeated local elections valid if they are attended by over one-third of the registered electorate.

"We are partly responsible for the state of things in the republic, and we do not deny this. We did not form the government and are not responsible for its actions. However, we do not criticize the executive power, because difficulties are inevitable in the transition period," Krylov said.

Local Election Results Announced

LD2104183495 Moscow INTERFAX in English 1609 GMT 21 Apr 95

[FBIS Transcribed Text] CHISINAU, April 21 (Interfax)—The preliminary results of the elections to the Moldovan local councils, which took place on April 16, were announced Friday by the republic's Central Election Commission.

According to the commission, the ruling Agrarian- Democratic Party (ADP) has, on the whole, won a convincing victory in the republic. It received almost 50 percent of mandates to the local councils (over 640 mandates out of 1,290).

The opposition Democratic Forces Alliance received 275 (21.5 percent) mandates.

The Moldovan Communist Party, which was registered only late last year, received 205 mandates or almost 16 percent. The bloc of left-wing forces, which unites the Socialist Party and the Unity Movement, received around 90 mandates.

In Chisinau and other cities, according to the commission, the elections were considered invalid due to low turnouts. Repeat elections in these cities will be held on April 30.

Final results in the regions and the republic as a whole will be announced at the news conference, to take place Friday, later in the day.

PDAM Wins Over 60 Percent of Seats in Local Bodies

AU2204161895 Chisinau INFOTAG in English 1910 GMT 21 Apr 95

[FBIS Transcribed Text] Chisinau INFOTAG, 21/4/1995—A proportion of 71.2 percent of the registered electorate took part in the local elections on 16 April, Vasile Pascari, chairman of the Central Election Commission, said at today press conference. The elections were valid in most localities of the republic. Repeated voting [runoffs] shall be held in Chisinau, and repeated mayoral elections shall be conducted in Comrat, Ialoveni, Soroca, Straseni, Cahul, Hancesti, and in several villages. By law, the repeated poll is to be held in two-weeks, that is, on 30 April.

The elections took place in 37 area, two municipal, and 852 village councils.

Six political parties and two election blocs nominated 3,353 candidates for area councillors, 580 candidates for municipal councillors, 2,621 for town councillors, 20,098 for village councillors, as well as 188 candidates for city/town mayors and 1,927 for village mayors.

A total of 1,025 area councillors, 538 town/city, and 8,075 village councillors were elected, as well as 12 town/city mayors and 532 village mayors.

The largest number of mandates was won by the Democratic Agrarian Party of Moldova [PDAM]: 540 in area, 180 in town/city, and 5,229 places in village councils. Besides, its candidates became mayors in four towns and 377 villages.

The Alliance of Democratic Forces won 207 seats in area councils, 162 in town/city councils, and 1,755 in village councils, and its 56 candidates became village mayors.

The Communist Party won 159 mandates in area councils, 162 in town/city councils, and 510 in village councils; two town mayors and 31 village mayors.

The Socialist Unity Bloc: 53 seats in area, 48 in town/city, and 151 in village councils; two town mayors and 31 village mayors.

The Social-Democratic Party: 32 in areas, 32 in town/city, 151 in villages; one town mayor and eight village mayors.

The Economic Revival Party: two seats in the Balti Municipal Council.

The Woman's Association: nine mandates in area councils, four in town/city councils, and 42 in villages; two village mayors.

The National Youth League: one seat in an area council and eight in village councils.

As Vasile Pascari said, these are not the final results, and percentage figures are not ready yet.

According to INFOTAG's own calculations, the PDAM won 62 percent of all mandates in localities where the elections were announced valid, the Alliance of Democratic Forces—21 percent, the Communists—8.5 percent, and the Socialist Unity—2.5 percent.

PSDM Leader Taranu on 16 Apr Local Election Results

AU2204161995 Chisinau INFOTAG in English 1910 GMT 21 Apr 95

[FBIS Transcribed Text] Chisinau INFOTAG, 21/4/1995— The local elections have shown the grown political prestige of the opposition, believes Anatol Taranu, chairman of the Social-Democratic Party of Moldova [PSDM]. "Despite buoyant statements of the PDAM [Democratic Agrarian Party of Moldova—ruling

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

party] leaders concerning the elections results, it is visible to the naked eye that they are losing the voters' trust," Taranu said to INFOTAG. "The PDAM's defeat would be more visible, had the election campaign and the elections been conducted in a really democratic environment, without evident violations and falsifications," he said. "And though the ruling party has preserved its shaky first place in the republic, it is only 'several inches ahead' of the Alliance of Democratic Forces and the impressively progressing Communist Party. The Socialist Unity Bloc has been pushed back from the second to the fourth position, and its political future becomes very problematic after the Communist Party has emerged on the arena," he emphasized. In his opinion, if the situation will continue to develop in the same way, already next elections may become fatal for the PDAM and the Socialist Unity Bloc.

As for the PSDM, the party preserved its rating of the fifth important party in the country, and thus proved its ability to struggle for political power. Having formed its factions in many area councils and having succeeded in winning the posts of mayors and municipal councils in several localities, the PSDM has ensured a necessary basis for its large-scale influence on the electorate in future.

"It is obvious that the shock we were in after the breath-taking defeat in the 1994 parliamentary elections is generally overcome, and we are now having a reputation of one of the most promising political parties in Moldova. I think our opponents will feel this at the next coming elections," Anatol Taranu said.

Proposal To Amend Procedure for Electing Gagauzi Bashkan Introduced

AU2104145495 Chisinau INFOTAG in English 1856 GMT 21 Apr 95

[FBIS Transcribed Text] Komrat, INFOTAG, 20/4/1995—To contest the post of the Gagauzi bashkan (head), candidates do not necessarily need to reside in Gagauzia for the last 5 years. Such an amendment was introduced last Wednesday by the Joint Commission of the Moldovan Government into the provisional regulations for implementing the Gagauzi Status Law. Thus, the regulations have been put in line with this Law, under which "the Gagauzi bashkan may be a citizen of Moldova aged over 35 and knowing the Gagauzi language."

Sources in the Komrat administration have informed INFOTAG that the president of the self-styled Gagauzi Republic, Stepan Topal, and local Parliament Chairman Mikhail Kendigelean, who consider themselves two leading candidates for the post, have been shocked with the news. They are fearing that their chances to preserve their leadership in Gagauzia will now shrink, for they may come to face strong rivals living in Chisinau.

The sources explained, that this implies, first and foremost, to George Tabunshik, the former first secretary of the Komrat Areal Committee of the Communist Party. He is extremely popular in the vast southern region, and many labor collectives nominated him for the candidacy even before the yesterday's amendment was introduced.

During the Gagauzi referendum of March 5, your correspondent asked several dozen voters in Gagauzia whom they would prefer to have as the head. An absolute majority of answers were in favor of Tabunshik. He is also backed by the Moldovan Communist Party, whose members won 16 of 27 seats in the Komrat Area Council at the recent local elections.

Opponents to the current Komrat powers consider the amendment is fully justified. In their opinion, the previously fixed 5-year "residence quarantine" was ridiculous, because Gagauz Yeri was officially "registered" only this past March 5, and to consider the new administrative-territorial unit as a successor to the self-proclaimed Gagauzi Republic would be a nonsense.

"One should also bear in mind that the old-era nomenclature system used to select the most competent leaders from the localities to work at various posts in Chisinau. Gagauzes were no exception, and it is quite normal if one of them might return to Gagauzia now to become the Bashkan," an opponent to the current Komrat administration said.

Opposition Daily Praises Chisinau Students' Strike

AU2204162595 Chisinau BASAPRESS in English 1900 GMT 21 Apr 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 21/4/1995— The legitimacy of the students' strike was implicitly recognized through presidential decrees, the creation of a presidential commission, and the statements made by European Parliamentary Assembly Chairman Miguel Angel Martinez, stated the UDC [Christian-Democratic Union] newspaper MESAGERUL. The newspaper refers to the statements made by Martinez on national TV that strikes are normal and justifiable in any democratic state and that on 1 June there will be two Romanian-speaking countries in the Council of Europe.

"Even though of all 11 demands made by the strikers only four were partially satisfied, the merit of the students' movement is incontestable," as a moral victory was scored, namely, the authorities were forced to recognize openly that the Constitution contains "a malign tumor—the Moldovan language," says MESAGERUL. It also reports that according to presidential sources on 18 April the Constitutional Court examined the petition and draft law [forwarded to it by President Mircea Snegur], which proposes to replace the term "Moldovan language" [as the official language of the country] with "Romanian language." The court sustained the law as complying with the legislation. According to the newspaper the president was to submit the draft to Parliament on the same day, but changed his mind. "The

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

deputies do not know yet whether the president's intent to speak in Parliament next week concerns this issue," points out MESAGERUL.

GDP Drops by 21 Percent Over First Quarter

AU2204162695 Chisinau BASAPRESS in English 1900 GMT 21 Apr 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 21/4/1995—Moldova's gross domestic product dropped in the first quarter by 21 percent compared to the same period in 1994, according to a report made public today by the Statistics Department. Industrial output dropped by 22 percent, while the agricultural one by 11 percent. Earlier experts of the Economy Ministry assessed that "over the first quarter of 1995 Moldovan economy will go through its most difficult period of the last years." Economy Minister Valeriu Bobutac stated that "in July 1995 the economic decline will stop and favorable conditions for economic recovery will be created." He also said that the decline over the first quarter was caused by the serious condition of agriculture after the 1994 natural disasters and drought. Statistics reveal an increase in the share, now reaching 48 percent, of the private companies in the industrial output of the country. Their share in large-scale building works is 81 percent, while in trade 41 percent. In passenger transportation 55 percent of the services were rendered by private companies. According to the report over January-February 1995 Moldova's exports amounted to 353 million lei ($80 million) while imports amounted to 390 million lei. The financial situation of the economic companies is worsening; as of 1 March loans worth 78.5 million lei were not reimbursed, while reciprocal debts [the companies owe each other] stood at 1.8 billion lei [figure as received].

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan

Kazakhstan Begins Eliminating ICBM Silos

LD2404054695 Moscow ITAR-TASS in English 0530 GMT 24 Apr 95

[By Fedor Ignatov]

[FBIS Transcribed Text] Almaty, April 24 (ITAR-TASS)—Kazakhstan, a former Soviet republic which provided most of the testing grounds for Russian nuclear weapons and launching sites for its spacecraft and intercontinental ballistic missiles, has begun eliminating its ICBM silos in accordance with the Strategic Arms Reduction Treaty of which Kazakhstan is a member.

The newspaper VOIN KAZAKHSTANA (KAZAKHSTAN'S WARRIOR) reports that the elimination of the silos is carried out by the forces of the Russian Federation's strategic missile group on the basis of an agreement between the Governments of Kazakhstan and Russia. The process is being supervised by representatives of Kazakhstan's Ministries of Defence, the Environment, and Biological Resources, as well as local administration officials.

For the start, only the missile silos on the territory of the Turgai region are being eliminated, but according to a schedule, silos in other regions of the republic will soon begin to be eliminated, too.

Kazakhstan's Defence Ministry declared that the beginning of the elimination of the ICBM silos testifies to Kazakhstan's commitment to its political obligations under the agreements on strategic arms limitation and reduction.

Uzbek-Kazakh Joint Venture Plies 'Silk Road'

LD2204161395 Almaty Kazakh Television First Program Network in Russian 1100 GMT 22 Apr 95

[FBIS Translated Text] The meeting of the heads of three Central Asian states—President of Kazakhstan Nursultan Nazarbayev, President of Kyrgyzstan Askar Akayev, and President of Uzbekistan Islam Karimov—ended with the adoption of a joint communique. The confirmation of the unity of the three states' position will be the further development of mutually beneficial links and the acceleration of the integration process. The words of the presidents of the three states found a live echo in the hearts of the citizens of Kazakhstan, Kyrgyzstan, and Uzbekistan.

Formerly, the Silk Road meant the geographic route of caravans carrying silk, tea, fruit, and so on. Now the Silk Road has acquired a different shade of meaning. The Silk Road is the road to nonhindrance, cooperation, friendship, and mutual understanding.

The participants of the caravan taking the road from Uzbekistan to the Kazakh city of Karaganda explained the significance of their action in the following way: There are Uzbek fruit and vegetables on these Kamaz trucks, destined for the Karaganda enterprises. In exchange, members of the caravan will transport from here to the neighboring country [Uzbekistan] construction materials and industrial goods, in which our part of the land is rich.

This cooperation between the enterprises of the Central Asian states was set up by the Republican Party [as heard] economic headquarters of Kazakhstan and the Uzvodstroy [Uzbek hydro-construction] state concern. The joint firm is called Zhibek Zholy [the Silk Road].

Cooperation With West To Develop Oil Industry

MK2104133095 Moscow NEZAVISIMAYA GAZETA in Russian 21 Apr 95 p 2

[Report by Sergey Kozlov under the "Kazakhstan" rubric: "'Mobil Oil' Has Come in Earnest and for a Long Time. One More Competitor for Kazakhstan's Oil Has Concluded a Big Contract in Almaty"]

[FBIS Translated Text] The "Tulpar-Munay Ltd." joint venture is to perform prospecting studies—and subsequent development—of discovered oil and gas deposits in West Kazakhstan and Aktyubinsk Oblasts. The Kazakhstan branch of the U.S. Mobil Oil corporation, "Tulpar Incorporated," is to provide 50 percent of the joint venture's authorized capital. The remaining 50 percent will be provided by three Kazakhstan oil companies—"Tulpar," "Poisk," and "Aktyubinskneft."

The initial cost of oil exploration over the territory of more than 17,000 square kilometers, at a distance of 1,000 km from the Caspian Sea, will amount to $80 million. If oil deposits exceed 140 million tonnes, it is planned to invest some $9 billion for the development and transportation of raw oil. Mobil Oil, however, expects its investments to be returned as early as 13 years after work starts and $4 billion to be earned as net profit by that time.

Mobil Oil President Lucio Noto came from the United States to Almaty for several hours, by his personal plane, specially to sign an agreement with the Kazakhstan Government. "Kazakhstan leads the list of countries regarded as our priorities. This offers great prospects for Kazakhstan, too," he said.

Interestingly, the contract terms stipulate Mobil Oil's participation in designing and financing the construction of a pipeline from that part of Kazakhstan westward. As Nurlan Balgimbayev, republic oil and gas industry minister, explained, "We know what to do now; the new concept of developing the oil industry envisions that some more Western companies should be attracted to develop oil deposits also in other parts of the republic." Probably in view of the not very successful experience gained by the Chevron corporation, Almaty decided to draw Mobil Oil to solving the most urgent of today's

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

problems—oil and gas transportation. Moreover, Kazakhstan Vice Premier Minister Vitaliy Mette emphasized that it took the sides only half a year to prepare such a large-scale agreement.

This is already the fourth large agreement between Almaty and Western oil companies. The next oil deposit awaiting another rich developer is Kumgol, located in Kzyl-Orda oblast.

It should be added that Mobil Oil has been given special guarantees by President Nazarbayev himself that the Kazakhstani side will fulfill its obligations. This emphasizes the seriousness of Almaty's intentions to draw to the Kazakhstan's oil market as many Western partners as possible. Over the past two years, in addition to Chevron, an alliance of seven Western companies—bearing the general name of "Kazakhstankaspiyshelf"—has been conducting prospecting studies on the Caspian Sea shelf for almost a year and a half. Some weeks ago, an agreement was signed between the Gas Industry Ministry and the "British Gas" and "Agip" companies on the Karachaganak deposit, and now Mobil Oil has arrived—in earnest and for a long time.

Scientists Cooperating With Swedes in Explosives Industry

LD2104195395 Almaty Kazakh Radio First Program Network in Russian 0300 GMT 21 Apr 95

[FBIS Translated Text] The prospects for the development of applied science in eastern Kazakhstan are still predetermined by close cooperation between scientists and specialists in mining, metallurgical, and machine-building enterprises. This is shown by the positive experience of the work of the East Scientific Research Institute of Non-Ferrous Metals in conditions of transition to the market economy. It has established contractual relations with its traditional customers—the Ust-Kamenogorsk lead and zinc plant, the Leniniogorsk polymetal plant, the Zyryanov lead plant, and the Irtysh poly-metal plant. The institute is enhancing links with foreign partners such as the Canadian Cameco company and the Italian Snamprojecte which have already been convinced of the high degree of competence of the scientists in eastern Kazakhstan.

The scientists are cooperating with the Swedish Nitro Nobel AB company in designing an interesting project to produce new kinds of explosives.

Kazakh Group Seeks Withdrawal of Troops

954F2123A Moscow NEZAVISIMAYA GAZETA in Russian 15 Apr 95 p 2

[Interview with Oleg Abrayev, president of Kazakhstan's Democratic Committee for Human Rights, by Sergey Kozlov; place and date not given: "The Commission Has No Comment: Social and Political Organizations of the Republic Are for a Withdrawal of Kazakhstani Soldiers From Tajikistan"]

[FBIS Translated Text] A government commission of Kazakhstan headed by Vice Premier Isingarin is in Tajikistan. It includes deputy commanders of the internal forces and the border guards of the Republic of Kazakhstan. The entire information that has been obtained concerning the incident in Gornyy Badakhshan, when soldiers of the Kazakhstani battalion died, has come from unofficial sources or from persons at the headquarters of the border forces and the Ministry of Defense who wished to remain anonymous. It is altogether recommended that people refrain from comment on the incident until the withdrawal of the government commission.

Of the public organizations, the one which has reacted the most promptly and the loudest to what happened is Kazakhstan's Democratic Committee for Human Rights, which has for two years now, incidentally, been the most consistent and active advocate of a withdrawal of Kazakhstani troops from Tajikistan. This is what Oleg Abrayev, president of this committee, had to say in an interview with NEZAVISIMAYA GAZETA:

[Abrayev] The stationing of the Kazakhstani troops on the Tajik-Afghan border is contrary to many international conventions and the UN Charter and also to our Constitution, which says that Kazakhstan does not have the right to interfere in the internal affairs of other states. We had a presentiment of big trouble. Back last fall, during the funeral of the Kazakhstani border guard Boris Mikhaylov, who died in Gornyy Badakhshan, we demanded the withdrawal of our troops for the umpteenth time. There are many thousand Kazakhstanis there, what is more.

[Kozlov] You mean that there is more than one Kazakhstani battalion in Tajikistan?

[Abrayev] According to our information, there are so many soldiers in Gornyy Badakhshan that they could constitute seven battalions, not one, as is being said everywhere.

[Kozlov] What practical steps do you intend to take in the immediate future?

[Abrayev] First we are preparing an appeal to the president with our former demand—an immediate withdrawal of the troops from Tajikistan. If, however, the republic has to fulfill interstate agreements within the framework of the CIS, it is essential to send mercenaries there, not risk the lives of young boys.

[Kozlov] Do you link any hopes with the findings of the government commission?

[Abrayev] First, we are angry that not one public organization of Kazakhstan was even offered a chance to join the Kazakhstani delegation. We have no need of government officials there, of course. We expect nothing positive of the commission, as has always been the case.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Kozlov] Which political organizations of Kazakhstan support your committee in the demand for a withdrawal of Kazakhstani troops from Tajikistan?

[Abrayev] As soon as the news of the tragic events was received, we immediately contacted practically all the leaders of the most influential public and political organizations of the republic. Only the Communist Party is now wavering, the rest unconditionally support the committee in its demand for the immediate pullout of the troops. A power struggle is under way in Tajikistan, and our boys have no place in this clash.

Nazarbayev Delivers Easter Speech

LD2304180295 Almaty Kazakh Television First Program Network in Russian 1400 GMT 23 Apr 95

[FBIS Translated Excerpt] Good evening! Today is Easter: the festival of Holy Christ's resurrection, the central event in the spiritual life of an Orthodox Christian. It is observed with reverence and festivity.

[Unidentified correspondent] Christ has Risen! Thus did the parishioners of St. Nicholas's Cathedral greet [President] Nursultan Nazarbayev when he attended the festive service on the occasion of Holy Christ's resurrection. [passage omitted]

Our President Nursultan Nazarbayev also greeted the Orthodox Christians on this great day.

[Begin Nazarbayev recording] I have come here to greet you on this great holy festival, the day of Christ's resurrection, to wish all of you health and success, and to thank you on behalf of the state for you tireless work in strengthening friendship, the unity of our multi-national nation, for bringing up our citizens in a spirit of devotion to the one God.

I greet all the parishioners who are present here, all the Orthodox Christians of our state, on this wonderful festival of the holy day of the resurrection of Christ! I again want to express my feeling of gratitude on this holy festive day to all the people of Kazakhstan for their understanding and patience during this period of difficulties, which, incidentally, God sent us.

The difficulties our people are suffering at present came about because our former united country collapsed. The people of Kazakhstan and your president are not to blame for this. We were faced with the option of building a new state in the uniquely difficult place where fate has put us.

The archbishop has just told you that since last Easter I visited His Holiness Patriarch Aleksiy in Moscow, and invited him to Kazakhstan. I recently received a message that he wants to accomplish this visit to our capital. And we are expecting him.

I have visited Rome and the two holy places of Islam, Mecca and Medina. I did this because I am sure that the coming age, our future life, will not only be based on accord and love between the peoples, but on an accord between the confession and religions, particularly between the major great religions. People must not be in conflict on the basis of religion. What happens in such cases we can see in various parts of the world.

We alone can create our future; we alone can build a happy life. There is enough land and resources for this in Kazakhstan. We shall overcome today's difficulties. We have already started to overcome them. We are at the turning point. The turning point has begun, but we shall have to endure these difficulties a little longer. I am confident that we shall overcome them.

I have decided to make a present to all the Orthodox citizens of my country. When the cathedral church in the center of our capital was taken away by the Soviet authorities 70 years ago from the Orthodox church... [pauses] to return the cathedral to the Orthodox Church for eternity [sentence as heard].

This is not just for the Orthodox, but for other confessions and churches. In the last three and half years alone, about 4,000 mosques have been built, whereas their construction had been prohibited. We also allow the construction of temples, we help the other religious confessions officially registered in Kazakhstan.

I hope that belief in what the state is doing will echo in the hearts of our religious believers. My most spiritual, deepest hope is that malice and distrust towards one another, a very dangerous polarization between the peoples, should not arise in Kazakhstan, our multinational country. Let there be peace in our state! Let this year be the year of the beginning of improvement in the lives of all the people of our homeland, the Republic of Kazakhstan! All the best to you! [end recording]

Nazarbayev Addresses Friday Prayers at Almaty Mosque

LD2104202695 Almaty Kazakh Television First Program Network in Russian 1400 GMT 21 Apr 95

[FBIS Translated Text] President Nursultan Nazarbayev visited the Almaty mosque today.

[Correspondent] President Nursultan Nazarbayev attended and took part in the traditional Friday prayers that took place at the country's main mosque today. He was greeted by believers, a crowd of whom surrounded him closely. During their conversation with the head of state they expressed their approval and support for the upcoming referendum.

Kazakhstan's Mufti, Ratbek Hoja Nysanbay-uly, addressed those gathered on behalf of the more than 10 million Muslims in the country. He voiced approval of the policy that Nursultan Nazarbayev is pursuing, thanks to which peace and accord are being maintained in the country.

Afterward the head of state appealed to those present. Thank God, he said, people representing many ethnic

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

groups live in peace and several religions coexist in Kazakhstan. There is enough land and wealth for everybody.

Nursultan Abishevich cited an example: Saudi Arabia has depended for a long time on both the Americans and the British. But it successfully managed to employ this for its own benefit, and now it is one of the richest Muslim countries and one of the richest countries in the world.

A mosque is being built in Almaty, he continued. By presidential order 5 million tenges has been allocated for this purpose. Of course, we cannot accommodate 2 million believers here yet, as the mosque in Mecca does. But that is a matter of time.

The president told those who had come to pray to God about his plans. Next year, he said, the construction of a spiritual university named after Egyptian President Husni Mubarak will be completed.

[Begin Nazarbayev recording] Life in the future will, I think, be about spirituality. And coordination and understanding between the two major religions, Islam and Christianity, will play a very great role. As you will remember, last year I met Patriarch Aleksiy II of All Russia at his residence in Moscow; I visited the Vatican in Rome and met John Paul II; and I was in Mecca where I met King Fahd, the main custodian of the holy places of Islam, and visited Islam's two holy places, the Kaaba in Mecca and the grave of the Prophet Mohammad in Medina.

All this means that politicians should treat all religions equally. I am expecting the Patriarch of All Russia to visit the republic at my invitation this summer. We welcome this visit, as well as everything that is being done in Kazakhstan by the leaders of Islam and Christianity, our religious leaders including Ratbek Hoja and our Archbishop Aleksiy of Almaty and Semipalatinsk. I think this is a great and noble cause.

All religions of all eras, starting from those that are 3,000 years old, have preached that people should treat each other as they would wish to be treated, love their fellows, not kill, help the needy, and secure peace, tranquillity, unity, and patience. In other words, this is the same ideology that we are advocating today among our people, in our state. Therefore, I wish for unity, I wish for patience.

The day when living conditions in Kazakhstan will be better is not far off. We all have to strive for this, we all have to work, we all have to wish to live in peace and tranquillity. [end recording]

President Issues Decree on Securities

LD2204093795 Almaty Kazakhstan Television First Program Network in Russian 1400 GMT 21 Apr 95

[FBIS Translated Text] Today, President Nursultan Nazarbayev issued a decree with the force of law on securities and the stock exchange. The document is issued with the aim of defining the basic rights and duties of participants in the securities market, procedures for the formation and activities of the national commission on securities, and also to protect the interests and promote the effective development of the republic's economy.

In connection with the adoption of this act, the decree issued by the head of state on 20 March 1994, on measures for the formation of the securities market, is deemed invalid.

By another decree carrying the force of law, amendments have been introduced in some legislative acts.

The president has also issued a decree with the force of law on the introduction of amendments and addenda in some legislative acts in connection with opening confidential accounts.

Nazarbayev Signs Edict on Foreign Investment

LD2104134295 Moscow ITAR-TASS in English 1252 GMT 21 Apr 95

[By Gennadiy Kulagin]

[FBIS Transcribed Text] Almaty, April 21 (ITAR-TASS)—A decree "On Use of Foreign Investments for Development of Precious Metal Production at Vasilkovskoye Deposit of the Kokechetav Region" was signed here today by President Nursultan Nazarbayev.

Under the decree, a consortium of foreign investors headed by the canadian Placer House Inc. will pay the Kazakh Government a 80 million dollar bonus for the development of the old but promising deposit.

The consortium will also invest 270 millions in high-tech extraction of precious metals, environmental and social measures to be taken in the deposit area.

The contract is another way to increase the Kazakh production of precious metals and gems and form such a gold reserve that would enable convertibility of the republican currency.

Nazarbayev Appeals For Public Support To Extend Mandate

LD2304123995 Moscow INTERFAX in English 1153 GMT 23 Apr 95

[FBIS Transcribed Text] ALMATY, April 22 (Interfax)—Kazakh President Nursultan Nazarbayev deems it necessary to prolong his authorities as head of the state up to 2000 at the April 29 referendum. "If the people express their support I shall be able to act more freely in implementing reforms in economic, political and social spheres," he declared speaking at the plenum of the World Association of the Kazakhs in Almaty Saturday [22 April].

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Nazarbayev stressed the importance to preserve integrity of the republic's people and called "not to yield to the attempts to weaken the Kazakhs dividing them on the basis of clans and tribes." Nazarbayev reassured that he intends to strengthen Kazakhstan's sovereignly and to develop integration with its neighbors.

According to Nazarbayev, at present the Kazakhs make up 50 percent of the republic's population whereas in the fifties and sixties there were not more than 29 percent of them in Kazakhstan. Currently about 12 million Kazakhs live in the world, 8 million—in Kazakhstan. More than 100,000 Kazakhs have come to the republic from Mongolia and China over the last years.

Representatives of the Kazakh diaspora from Germany, Turkey, Russia, China, Iran, and Mongolia participated the world of the plenum of the World Association of Kazakhs.

Uighurs Urged To Support Nazarbayev Referendum

LD2104122295 Almaty Kazakh Radio First Program Network in Russian 0600 GMT 21 Apr 95

[FBIS Translated Text] In the light of the forthcoming referendum [on extending the term in office of Kazakh President Nursultan Nazarbayev], the Bureau of the Republican Cultural Association of Uighurs has held an expanded meeting.

Those who spoke at the meeting commented on the situation in the republic and about the efforts being made by President Nazarbayev to extract the country from the economic crisis and to establish political stability and civil peace in Kazakhstan. At the current stage only Nursultan Nazarbayev and his team are able to carry out commenced reforms, to establish firm interethnic accord in the country and to ensure the consolidation of all forces.

The Bureau adopted an address to the Uighur community, calling on it to vote unanimously at the referendum on 29 April for President Nursultan Nazarbayev's term of office to be extended until 1 December 2000.

Communist Party Says Referendum 'Unconstitutional'

LD2004215195 Almaty Kazakh Television First Program Network in Russian 2100 GMT 20 Apr 95

[FBIS Translated Text] Today, at Democracy House, the Central Committee of the Communist Party of Kazakhstan held a news conference. The briefing was given by Korolkov [name as heard], the Central Committee's second secretary, and Ismailov [name as heard], the first secretary of the party's Almaty regional committee.

They announced that the Communist Party of Kazakhstan has adopted a resolution on its position on the upcoming referendum. In their opinion, the referendum is an inopportune and unconstitutional act. By the way, the communists have joined the appeal by the headquarters of the opposition parties and movements.

It was voiced today that the resolution that the communists have adopted was not appropriately covered by the media. Moreover, in the North Kazakhstan and Pavlodar Regions members of the Communist Party's regional organizations were requested to vacate their premises after they had started work against the referendum, Korolkov and Ismailov said.

They also expressed the opinion that the Kazakh president is being pushed toward this step by ill-intentioned people, and that in the future a question mark may arise about the legitimacy of his powers.

At the moment the communists are distributing leaflets and holding meetings with working people. They will have observer status at the referendum.

And on another point, the Central Committee of the Communist Party of Kazakhstan has appealed to the Almaty administration for permission to carry out a subbotnik [Soviet-era voluntary work day] and meeting by Lenin's monument on 22 April. The city authorities refused, saying that by law there is a special place for meetings and gatherings in Almaty, opposite the Academy of Sciences of Kazakhstan. In reply, the communists said that they were not going to hold a meeting near the monument of Russian officer Cholkan Valikhanov. Although they level accusations against the country for conducting market reforms, they do not hide that, at the moment, Communist Party members are working in various market structures, in local councils, and hold posts of heads of administration at various levels.

Kyrgyzstan

Parliament Defies President Over Constitutional Court

LD2104133295 Moscow ITAR-TASS in English 1316 GMT 21 Apr 95

[By Boris Mainayev]

[FBIS Transcribed Text] Bishkek, April 21 (ITAR-TASS)—Both chambers of the Kyrgyz parliament went on vacation today after refusing to accept the oath of the Constitutional Court despite the demand of the president. A reason for this refusal is that the court has not worked for two years and, in the opinion of deputies, the oath is now illegitimate.

The ten-hour debates were followed by a speech of the president.

"We have only one way to prolong the reforms—to accept the oath of the Constitutional Court," said the president. "After that the Constitutional Court will discuss powers of the chambers and the parliament will

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

start working on the basis of the constitution. If you do not do this, I will not sign a single law prepared by you."

Akayev Refuses To Endorse Power-Sharing Amendments

LD2104183895 Moscow INTERFAX in English 1639 GMT 21 Apr 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] President Askar Akayev told the joint session of two houses of parliament on Friday he would not endorse the law on constitutional amendments for power sharing between them unless they are sworn in by the constitutional court.

For their part, the deputies accused him of failing to make concessions to the parliament.

IF Note: Members of the upper house of the Legislative Assembly are opposed to being sworn in for fear of being dissolved if the CC passes a ruling on the parliament's illegitimacy as in Kazakhstan. They accused the CC formed 18 months ago of staying away during last year's parliamentary crisis leading to the dissolution of the Supreme Soviet and appointment of new elections.

Akayev also rejected a proposal saying that the heads of the state television and radio broadcasting company and state commission for foreign investment must be government members but after parliamentary approval. And so must other cabinet members. He said the previous resolution and law stipulates that the government structure remains unchanged for a period of three years.

IF Note: On Thursday, the parliament approved a cabinet list offered by Prime Minister Abbas Dzhumagulov which remains unchanged apart from new posts of two first deputy premiers and communications minister. A renewed appointment is expected of the finance and agriculture ministers, and head of the environment committee.

There are two women ministers in the new government. They are Larisa Gutnichenko (justice minister) and Roza Aturbayeva (foreign minister).

The president and deputies failed to sort out their wrangle on constitutional amendments deciding to resume the question after a two or three-week recess.

New Government Ministers, State Committee Heads Appointed

LD2204092495 Bishkek Kyrgyz Radio First Program Network in Russian 0500 GMT 21 Apr 95

[FBIS Translated Text] Today [21 April] the republic's parliament continues its work. I will remind you that yesterday, at a joint meeting attended by 91 deputies, the government structure was discussed once again.

Prime Minister Apas Dzhumagulov asked the deputies to keep the former structure of the government, to increase the responsibility and status of ministries and departments, to give them greater independence, and to give the State Economic Committee the status of a ministry, taking into consideration today's situation in the economy of the republic. By a majority of votes, the draft government structure was assumed as a basis.

As for state national television and radio company, the deputies decided by a majority of votes to give it the status of a state committee, and its chairman is to be included in the government structure. Apparently the last word on the matter will be given by the president of the republic, because the state television and radio company was created by his decree. The deputies will write to President Askar Akayev about including Goscominvest [state investment committee] and the tax inspection committee in the government structure, in addition to the state television and radio company.

After the lunch break, Apas Dzhumagulov proposed the nominees for government, who have been discussed in the committees of both chambers. After 1700 the deputies started personal consideration of each nominee and began voting in the chambers.

Apas Dzhumagulov proposed two nominees for the post of first deputy prime minister: Abdydzhapar Tagaev and Orozmat Abdukhalikov. After a mild rating, Tagayev collected the majority of votes and his candidature was put to the vote. Thus Abduzhapar Tagayev was elected first deputy prime minister. Later, three more deputy prime ministers were elected. They are Dzhumgalbek Amanbayev, deputy prime minister with responsibility for agriculture; Osmonakun Ibraimov, deputy prime minister with responsibility for education, health care, and ideology; and Aleksandr Moiseyev, deputy prime minister with responsibility for industry.

The deputies also voted for the nominees for the ministerial posts in their chambers. They are:

Madalbek Moldashev becomes minister of internal affairs;
Naken Kasiyevich Kasiyev becomes minister of health;
Rosa Isakovna Otunbayeva becomes minister of foreign Affairs;
Cholponbek Bazarbayev becomes minister of culture;
Murzakan Subanov becomes defense minister;
Askar Kakeyev becomes minister of public education;
Andrey Iordan becomes minister of industry and trade;
Togayev [word indistinct] becomes minister of communications;
Bekbulot Talgarbekov, former first deputy minister of communications, becomes minister of agriculture and food;
Zafar Khakimov becomes minister of labor and social protection;
Madybek Oblesov becomes minister of transport;
Kelembek Nanayev becomes finance minister;
Larisa Usnichenko becomes minister of justice;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Myradzhyddin Zulpiyev becomes minister of water resources;
Taalaybek Koychumanov becomes minister of economy.

Later the chairmen of the state committees were elected:

Emilbek Ibraimov—chairman of the State Committee for Construction and Architecture;
Usengasy Asanaliyev—chairman of the State Committee for Geology and Mineral Resources;
Anarbek Bakayev—chairman of the State Committee for National Security;
Iskender Muratalin—chairman of the State Committee for Protection of Nature;
Murza Saparov—chairman of the State Committee for Tourism and Sport;
Amangeldy Muraliyev—chairman of the State Property Fund of the republic;
Yan Yefimovich Fisher—chairman of the State Committee for Emergencies;
Orozmat Abgukhalikov—head of the apparatus of the government.

I want to note that three nominees did not collect the required number of votes when voting in the Legislative Assembly. They are Finance Minister Kemelbek Nanayev, Agriculture and Food Minister Talgarbekov, and Iskender Muratalin, chairman of the State Committee for Nature Protection. We want to congratulate the members of the government wholeheartedly and wish them good luck.

Tajikistan

Rakhmanov Sends Condolences to U.S. President

LD2104130095 Moscow ITAR-TASS World Service in Russian 1245 GMT 21 Apr 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 21 Apr—Today Tajikistani President Emomali Rakhmanov sent a telegram, which expresses condolences to U.S. President Bill Clinton in connection with the tragedy in Oklahoma, which led to heavy loss of life.

According to the latest reports from New York, the number of victims of the explosion in Oklahoma is already exceeding 50 people. Rescue workers continue to bring bodies out from under the debris. According to verified information, there were 810 people in the administrative building at the time of the explosion at 0904 in the morning. The fate of approximately 150 of them is still unknown.

Moscow Seen 'Clinging' to Tajik Regime

MM2104153795 Moscow IZVESTIYA in Russian 22 Apr 95 p 1

[Article by Leonid Mlechin: "Russia Must Realize What Awaits It in Tajikistan"]

[FBIS Translated Text] The combat operations between Tajik opposition detachments and the Russian border guards who are continuing to guard the former USSR border confirm the worst fears: Russian soldiers have been and will be killed here. The war here could continue for years and even decades.

Reports that some gunmen or bandits are for no apparent reason attacking border guards and must be rebuffed are misleading to Russian society.

The recent bloodshed has been provoked by the Tajik Government, which violated the cease-fire agreement. This has been acknowledged by General Valeriy Patrikeyev, commander of the Collective Peacekeeping Force in Tajikistan.

"But we will not let ourselves be slaughtered like sheep," Khodzhi Akbar Turandzhonzada, number two in the Tajik opposition, told me.

The Tajiks are convinced of one thing: Russian troops have come to their country to protect the ruling regime. Therefore the opposition fighters regard the Russian soldiers as occupiers.

The opposition is not made up of separate small groups of armed people. The opposition is supported by a considerable section of the population of Tajikistan, which is divided up into various clans. The opposition is a serious political and military force. It has been recognized by President Islam Karimov of Uzbekistan, who previously gambled on the government in Dushanbe.

As is characteristic of the Islamic East, the opposition is prepared to die in the endless struggle to overthrow the ruling regime. Is Moscow prepared endlessly to lay down its soldiers' lives in Tajikistan?

Russian diplomats maintain that the warring sides can be reconciled. Turandzhonzada, who heads the opposition delegation at the inter-Tajik talks in Moscow, expounded to me a plan for such a settlement. It includes the creation of an interim government of politically neutral people, parity representation of the opposition and the present regime in the organs of power, and the holding of elections.

The opposition is prepared to introduce into Tajikistan's constitution the point that a theocratic state cannot be created in Tajikistan during the next 30-40 years even if Islamists win the elections.

But it is perfectly obvious that the ruling regime will never share power, if only out of obeying the self-preservation instinct. Thus, the war will continue.

Probably, many Moscow officials like the leaders of the ruling regime—in contrast to other CIS countries, they are so obedient and support Moscow in everything. Tajikistan has been turned into an obedient vassal, but the privilege of having a vassal has to be paid for with the blood of our soldiers.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Is the ruling regime capable of countering the opposition on its own? Despite the huge money transferred to Dushanbe and despite all the Russian military's attempts to create a battleworthy army for the government, no one wants to serve in this army. The Russian taxpayers' money is being thrown to the wind.

What, then, makes Moscow cling so stubbornly to the government in Dushanbe?

Foreign Minister Andrey Kozyrev regarded as unfair IZVESTIYA's (No. 73) harsh reaction to his words to the effect that all means, including force, must be used to protect the Russian-speaking population in the former Soviet republics. As the chief argument in his favor Andrey Kozyrev handed me a collection, hastily compiled by his apparatus, of quotations by U.S. President Bill Clinton and Secretary of State Warren Christopher on the subject that the United States is prepared to use force to protect its citizens. Andrey Kozyrev added that his words did not contain even a hint of imperialism:

"I had in mind the following situation, for example. A Russian ship is captured by pirates in the Indian Ocean, say. Why can't a Russian cruiser come to our people's assistance?"

But how is this readiness to rescue Russian citizens from death to be applied to Tajikistan?

Those who favor continuing military aid to the government in Dushanbe have two main arguments. First argument: If the Russian troops leave, the Islamists will expel all Russian speakers from the republic. But Russians have long been fleeing from Tajikistan, and whoever was able to leave has already done so. Second argument: Islamic fundamentalism will spread from Tajikistan across Kazakhstan to Russia. Consequently, huge money must be invested in equipping a full state border with Kazakhstan.

Fear of Islamic fundamentalism is understandable. But Islamist sentiments are only intensifying in Tajikistan with each month of armed struggle. They are assuming an anti-Russian nature. I believe that sooner or later we will have to get out of Tajikistan all the same. There will only be an increase in the number of graves in Russia during this time.

Reportage on Inter-Tajik Consultations in Moscow

Deputy Prime Minister Comments on Moscow Talks

LD2204150495 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] MOSCOW, April 22 (Interfax)—First Deputy Premier Mahmadsaid Ubaydullayev said that the main goal of the inter-Tajik consultations held in Moscow is to search for a common approach to the ways to normalize the situation on the Tajik-Afghan border and work out measures to reach a settlement within Tajikistan.

In an exclusive interview with Interfax he said that the two sides must also devise methods of control over the implementation of the ceasefire agreement and fix the time for its prolongation.

According to him, official Dushanbe stands for extending the agreement indefinitely, but this does not suit the opposition.

"The opposition should realize that the problems of Tajikistan cannot be resolved by military means. Our people elected parliament and president, and approved the Constitution; the republic embarked on the road of democratic and economic reforms," Ubaydullayev said. The Tajik leadership, he added, has repeatedly invited the opposition to take part in the country's political life. However its proposals were rejected, which casts doubt on the sincerity of the opposition's declarations as to its being interested in stabilizing the situation in Tajikistan, the deputy premier said.

He urged the opposition once again to respond to Dushanbe's proposals to settle the situation in Tajikistan.

"We are willing to enter into talks with the hard-line representatives of the opposition for the sake of establishing peace and enabling our compatriots to return home," Ubaydullayev said.

As he noted, there is proof that the opposition prevents refugees from returning to their homes. "If they return, the opposition will lose its social base, and it will have no one to lean on in its endeavors to seize power in Tajikistan," Ubaydullayev pointed out.

Nevertheless he said he hopes that the two sides will manage to find "a common language", and that their armed confrontation will cease.

Problems Aired at Consultations

LD2204164795 Moscow ITAR-TASS World Service in Russian 1422 GMT 22 Apr 95

[By ITAR-TASS diplomatic correspondent Yuriy Kozlov]

[FBIS Translated Text] Moscow, 22 Apr—Mahmadsaid Ubaydulloyev, first deputy prime minister of the Republic of Tajikistan and head of the Tajik government delegation at the inter-Tajik consultations in Moscow, has refused to confirm information about the deployment of 600 Tajik servicemen in Badakhshan to guard the Pamir sector of the frontier with Afghanistan. He said at a news conference in the embassy of the Tajik Republic today that it is practically impossible to carry out such an operation in a short period of time.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

With a view to removing mutual distrust regarding the implementation of the temporary agreement on a cease-fire on the Tajik-Afghan frontier, the head of the official Dushanbe delegation proposed that the number of UN observers in the conflict zone should be increased and also that plenipotentiaries of the joint commission to which representatives of both warring sides belong should be sent to every frontier outpost. The deputy Tajik prime minister confirmed that the government and opposition delegations are ready in principle to hold a fourth round of inter-Tajik talks. Their agenda has been practically agreed and includes fundamental questions on the constitutional system and strengthening the statehood of Tajikistan. In this connection, Mamadsaid Ubaydulloyev said that the leadership of the republic is ready to hold any repeat referendums if the Tajik people so desire.

The leader of the official delegation also expressed the hope that the first bloc of questions of the present inter-Tajik consultations on measures to strengthen the cease-fire agreement will be resolved successfully. He once again confirmed the readiness of President of Tajikistan Emomali Rakhmanov to meet opposition leader Sayed Abdullo Nuri at any time, anywhere to discuss any questions in the interests of a peaceful political settlement of the conflict.

The inter-Tajik consultations continued in the second half of the day after the interval announced at the morning sitting. It is expected that the sides will devote their main attention to a statement by the opposition delegation which was circulated here today which cites new violations of the cease-fire agreement in connection with the additional deployment of 600 Tajik border guards to Badakhshan. According to the opposition, this action, just like the previous time when 350 Tajik servicemen were deployed in Badakhshan, was carried out with the assistance of Russian border guard helicopters.

Haji Akbar Turajonzoda, leader of the Tajik opposition delegation, thinks that such actions bear witness to "the desire of certain circles among Russian generals to exacerbate the situation not only on the border but in the whole of Tajikistan." "We can now with all certainty regard the statement by Russian Federation Foreign Minister Andrey Kozyrev at the official ceremony opening the consultations as the reflection of Russia's aggressive policy toward sovereign and independent Tajikistan," he noted. In his opinion, there can be no other explanation for the situation which has evolved whereby consultations are being held in Moscow with UN mediation on ways to achieve a political settlement while the cease-fire agreement is being violated at the same time. Any attempt to discredit the talks process may cause the situation in Tajikistan to be exacerbated, the leader of the opposition delegation stressed.

Tajik Opposition To Continue Negotiations

LD2104140395 Moscow ITAR-TASS in English 1303 GMT 21 Apr 95

[By Yuriy Kozlov]

[FBIS Transcribed Text] Moscow, April 21 (ITAR-TASS)—The Tajik opposition hails Tajikistan President Emomali Rakhmanov's proposal on Thursday [20 April] to hold a meeting with the leader of the Islamic Revival Movement of Tajikistan, said Abdullo Nuri, according to the head of the delegation from the opposition to consultations in Moscow Khodzhi Akbar Turadzhonzoda.

A meeting of this kind should be timed to coincide with the end of the fourth round of talks between the government and the opposition for the two leaders not only to meet but also to sign some specific agreements solidifying the attained accords. The time and venue of the fourth round of talks will be determined in the course of bilateral consultations in Moscow brokered by the U.N. secretary-general's personal envoy to Tajikistan Ramiro Piriz Ballon.

On Friday, the two delegations met again and agreed to prepare in writing their respective proposals concerning the problems under discussion. The also agreed to continue consultations on Saturday.

In addition to its earlier proposals for making the cease-fire agreement binding on the Russian border troops and for withdrawing of 350 Tajik servicemen from the conflict zone where they are guarding a stretch of the border along the river Pyanj, the Tajik opposition plans to submit some new proposals.

Turadzhonzoda said they concerned a number of measures aiming to enhance the role of the United Nations in the settlement of the conflict, in particular through increasing the number of international monitors. In addition he said it was necessary to improve provisions of means of transport and communications for the joint commission which brings together representatives of both parties.

The opposition also demands that Dushanbe publish the text of the ceasefire agreement and allow regular television or radio airtime for members of the joint commission at least once every fortnight. The time would be used by themselves and U.N. representatives to inform the viewers and listeners about facts of violation of bilateral agreements. The opposition also demands that contact telephones be made available to anyone wishing to report facts of this kind anonymously.

Turadzhonzoda said the ceasefire accords were indisputably violated when members of the joint commission had to spend months to secure a meeting with one or another Tajik official although they have the right to contact leaders of any level up to the president of Tajikistan and the opposition leader upon first request.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The Tajik opposition delegation leader spoke against an indefinite prolongation of the ceasefire agreement and stressed that it must remain in effect as long as negotiations were underway. The sooner the parties agree on the final settlement of the conflict, the sooner there will be no more need for the ceasefire agreement, he said. The fourth round of talks between the government and the opposition might mark a major step forward in this direction he said. The round would focus of the third basket of items on the agenda approved during the first round of talks in Moscow last April. This basket comprises "fundamental questions relating to the constitutional system and the consolidation of Tajikistan's statehood". These cover measures to establish a transitional period, to declare a universal amnesty, to allow the activity of political parties, and to carry out other important changes.

Opposition Protests Cease-Fire Violations

LD2204151095 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] MOSCOW, April 22 (Interfax)—On Saturday [22 April], at the consultations on paving the way for talks between the Tajik government and the opposition the opposition's delegation expressed protest against "violations of ceasefire agreements."

As a spokesman for the delegation of the opposition Islamic Revival Movement told Interfax, the protest was prompted by reports that 600 servicemen belonging to Tajikistan's frontier troops had been despatched to the Tajik-Afghan border.

As the spokesman said, "this action, as the previous one, when 351 government troops were sent to Badakhshan, is not only a gross violation of the Tehran agreement on temporarily ceasing fire on the Tajik-Afghan border and within the country, but also an attempt to ignore the present consultations."

The despatch of government troops was carried out by helicopters belonging to Russian frontier troops, the spokesman said, which, in his view, "testifies to the desire of some Russian generals to aggravate the situation not only on the border, but also in Tajikistan as a whole."

'Both Sides' Favor Fourth Round of Talks

LD2204153695 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 22 Apr 95

[From the "Vremya" newscast]

[FBIS Translated Text] [Correspondent Andrey Murtazin] Both sides, official Dushanbe and the opposition are for holding the fourth round of inter-Tajik talks. This statement was given to journalists by Mahmadsaid Ubaydullayev, first deputy prime minister of the Tajik Government. He reported that two issues were discussed today: The implementation of the Tehran agreement, which runs out on 26 April, and the possibility of Tajik President Emomali Rakhmanov meeting the opposition leader Sayed Abdullo Nuri.

[Begin Ubaydullayev recording] I repeat once more that our stand has not changed. We have announced the unilateral and indefinite continuation of the cease-fire and, naturally, we will insist that the first question should be discussed first so as to silence the guns, so that they should be silenced. [end recording]

[Murtazin] The Tajik opposition accuses the official authorities of whipping up tension on the border by redeploying additional military contingents there and the Russian border guards of violating the Tehran agreement.

For his part, the first deputy prime minister of Tajikistan denies deploying 600 servicemen from Tajikistan to the Pamirs recently and considers such reproaches to be unfounded.

As far as Russian border guards are concerned, in line with the mandate of the CIS collective peacekeeping forces, they will continue to guard the Tajik-Afghan border.

Let me remind you that yesterday, the ministers of defense and foreign affairs of the Commonwealth decided to continue active joint actions to defend the frontier but at the same time called for the talks process under the UN aegis to be speeded up.

Cease-Fire Violation Charges Dismissed

LD2304142495 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 23 Apr 95

[FBIS Translated Excerpt] Talks between an official Tajik Government delegation and the opposition continued yesterday. The talks mainly concerned two important issues. The first issue was to extend the terms of the cease-fire signed at the Tehran and Islamabad talks, the term of which will end on 26 April.

The government's official delegates proposed declaring an unlimited cease-fire. Mahmadsaid Ubaydullayev, head of the government delegation and first deputy Tajik prime minister, told journalists in an interview yesterday: From the beginning, the position of the leaders of Tajikistan has been to observe the cease-fire agreement and to prevent any kind of provocation." He stressed: "We do not want to hear the sound of shooting, either on the borders or inside the republic."

Mahmadsaid Ubaydullayev said there is no real foundation for the allegations that more than 600 soldiers of Tajikistan's Armed Forces have been dispatched to the Badakhshan area of the Tajik-Afghan border, and that Russian border guards are violating the cease-fire. The Russian border troops are carrying out their duties here according to inter-state agreements. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The citizens of the republic view the prospect of our head of state sitting at the negotiating table with the leader of opposition as another humane, considerate step toward normalizing the situation.

Workers Demand Opposition Leave Country

LD2204090495 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 21 Apr 95

[FBIS Translated Text] An appeal by the inhabitants of Gornyy Badakhshan Autonomous Region has been sent to the Tajik Government commisssion on holding consultations for the fourth round of inter-Tajik talks. The appeal says that the inhabitants of the Badakhshan Autonomous region fully trust the Tajik Government working delegation, which is negotiating with the Tajik opposition delegation.

Protest rallies by workforces, the actions of women from Shugnan, Rushan, and Khorog, who protested at the headquarters of opposition armed groups, testify to this. Protests are still being addressed to these groups. They demand that the armed opposition groups leave the territory of the region, lay down their arms, and stop provocations against the CIS border troops.

Deployment to Gorno-Badakhshan Defended

LD2304125695 Moscow INTERFAX in English 1153 GMT 23 Apr 95

[FBIS Transcribed Text] DUSHANBE, April 22 (Interfax)—In an interview with Interfax Tajikistan's Deputy Security Minister Anatoliy Kuptsov declared that the transfer of the Tajik frontier forces to Gorno-Badakhshan does not contradict to the terms of the Tehran agreement on temporary ceasefire.

Meanwhile, the opposition's delegation at the inter-Tajik consultations in Moscow expressed its protest to the opposing party due to the messages about the transfer of 600 servicemen of Tajikistan's frontier forces to the Tajik-Afghan border by military helicopters.

In an interview with Interfax Kuptsov declared that "this measures meet interests of Tajikistan's security and demands of the Treaty on Collective Security of CIS countries."

However, Tajikistan's First Vice Prime Minister Mahmadsaid Ubaydullayev who represents the republic's government at the inter-Tajik consultations declared at a press conference in Moscow that the information on the transfer of Tajik frontier guards to the Tajik-Afghan border does not correspond to the reality.

Ubaydullayev also said that they have not received any official protests from the opposition's delegation yet.

On Saturday afternoon the consultations were continued.

Rakhmanov Ready To Meet Islamic Rebirth Movement Leader

LD2204083595 Dushanbe Radio Tajikistan Network in Russian 0400 GMT 21 Apr 95

[FBIS Translated Text] In a conversation with a Tajik Khovar news agency correspondent, Tajikistan's President Emomali Rakhmanov has hailed the consultative negotiations between the Tajik Government delegation and the opposition representatives, which have begun in Moscow. He has expressed his comprehensive support for the negotiations underway and his confidence that they will be constructive and successful.

With the purpose of preventing further conflict situations on the Tajik-Afghan border, establishing and achieving peace, and consolidating stability in the republic, the president expressed his readiness to meet Sayed Abdullo Nuri, the leader of the Islamic Rebirth Movement of Tajikistan, at any time, any place. The president confirmed his readiness to give appropriate orders to open additional points to guarantee the return of Tajik refugees and all those who are returning to the homeland peacefully and without weapons.

The leadership of Tajikistan, stated Emomali Rakhmanov, is announcing an indefinite extension of the agreement on the cease-fire and other hostile acts. The Republic of Tajikistan appeals to the world community and all interested parties to continue rendering assistance for the advancement and successful completion of the inter-Tajik talks.

Analyst Foresees Increased Border Strife

954F2122A Moscow NEZAVISIMAYA GAZETA in Russian 13 Apr 95 p 2

[Article by Semen Bagdasarov, chief expert of the Aziya Strategic Research Foundation: "Combat Operations on the Afghan-Tajik Border Will Peak in August: Russia Is Not Yet Prepared for This Either Politically or Militarily"]

[FBIS Translated Text] There is nothing surprising in what is happening at this time in Tajikistan.

The main conclusion from all that has happened and continues to happen is that yet again advantage was not taken of the winter lull in this republic for the achievement of compromise between the parties to the conflict.

The sluggish inter-Tajik negotiations under the aegis of the United Nations produced no appreciable results. The mountain gave birth to a mouse, as they say. Nor were effective measures to shore up the positions of Russia and the central Tajik authorities in Gornyy Badakhshan adopted. And this despite a number of attempts, including on the part of the Russian leadership. Specifically, a number of measures of an economic and humanitarian nature were adopted in the summer of 1994 in the course of the visit to Moscow of G. Shabozov, leader of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the administration of the Gorno-Badakhshan Autonomous Oblast at that time, and his meetings with certain Russian leaders, including Prime Minister V. Chernomyrdin. But these decisions were not realized, unfortunately.

I do not wish to censure anyone, I merely note that, as always, the people in shoulder boards, border guards in this case, are paying for the ineptitude and irresponsibility of our politicians, primarily those who are responsible for Russian policy in Tajikistan in the Russian Ministry of Foreign Affairs. **It needs to be said now what needs to be done immediately, by way of emergency, to prevent the Afghanization of events.**

The following is essential, in my view:

A commission of the Security Council of Russia, which should include both representatives of all departments engaged in a stabilization of the situation in Tajikistan and representatives of the Federation Council and the State Duma and leading political scientists studying the problem of Tajikistan, should be formed as a matter of urgency. The commission should study the causes of the tragedy that has occurred. The results of the commission's work should be reported immediately, on which basis it is essential to adopt a number of decisions. But it is obvious even now that **such decisions could be as follows:**

In the political sphere:

The Russian leadership should immediately, without any prior conditions, conduct direct negotiations with the leadership of the Tajik opposition. The main goal is a temporary cessation of combat operations on the border.

Sort out, as a matter of urgency, the position of the CIS peacekeeping force. Devise a realistic plan of the peacekeeping operation with regard to both the realities of Tajik policy and the specifics of this republic and the entire region.

Assemble immediately under the aegis of Russia and a number of other countries of the CIS a roundtable of regional Tajik leaders (both official and informal) with the participation of the leadership of Tajikistan and the opposition. Paths of a solution of the Tajik problem should be formulated in the course of the meeting.

Stimulate Russia's independent contacts with the top field commanders of Afghanistan.

Hold a top-level meeting of leaders of Russia, Uzbekistan, Tajikistan, Kazakhstan, and Kyrgyzstan, at which a plan of an escape from the Tajik impasse would be formulated.

Send Russian political advisers to Tajikistan, having endowed them with substantial authority.

Devise a special concept of relations with the Muslim world, particularly with such countries as Saudi Arabia, Iran, Pakistan, and Afghanistan (for more detail see the article "Two Sides of the Islamic Factor" in NEZAVISIMAYA GAZETA of 7 April 1995).

In the military sphere:

Based on subunits of the Ministry of Defense, the MVD, and the Ministry of National Security of Tajikistan in Gornyy Badakhshan currently form full-fledged army units (two or three brigades), arm them fully, and provide them with all that they need logistically. Include as part of these units constructive self-defense detachments of Gornyy Badakhshan, having defined as their principal assignment assistance to the Russian border guards and the maintenance of order in the Gorno-Badakhshan Autonomous Oblast.

Send Russian advisers to the Ministry of Defense, Ministry of National Security, and MVD of Tajikistan, including to the corresponding military units.

Study the question of the gradual replacement of a number of commanders of Russian military units, primarily the border guards, who have served in Tajikistan for more than two years.

The Russian military subunits should receive supplies and pay and allowances at the level of the Russian UN battalion in the former Yugoslavia.

Economic measures:

The creation of transnational concerns (central office in Moscow, branch in Tajikistan) for the development of the mineral deposits and the modernization and joint operation of major enterprises, including the military-industrial complex, in Tajikistan.

A decision on Tajikistan's entry into the ruble zone (or, on the other hand, introduction of its own currency).

The dispatch of Russian economic advisers to the Government of Tajikistan.

Create at the Ministry of Cooperation of Russia a special committee for economic relations with Tajikistan.

It is necessary to dwell separately on the visit scheduled for May of Aga Khan IV, head of the world's Ismailis, to Tajikistan. It is obvious that a number of radical groupings in Afghanistan and outside have no interest in this visit taking place, particularly considering Aga Khan IV's successful visit to Moscow. Some people understand full well that the successful visit of a Muslim leader of such magnitude could lead to a stabilization of the situation in Tajikistan (particularly in Gornyy Badakhshan) and also in certain Afghan border areas, and could, in addition, enhance Russia's authority in this region. The failure or frustration of the visit would seriously undermine the authority of Russia and Tajikistan in the world and particularly in the region of which Tajikistan is geographically a part.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

It is essential in this connection that the Russian and Tajik leadership propose right now that Aga Khan IV send his special representatives to Gornyy Badakhshan, where, advantage being taken of their influence, measures aimed at a stabilization of the situation in this region might be adopted. Use of the authority of Aga Khan IV among the Pakistani leadership, which, in turn, could influence certain Afghan groupings and a number of Muslim organizations for a cessation of combat operations on the Afghan-Tajik border, could be effective also. In turn, the leadership of Russia and Tajikistan should do everything possible for the successful organization of the visit.

The accomplishment of these and other tasks will require serious organizational measures. It is obvious that the Interdepartmental Commission for Tajikistan has failed to cope with its duties. It is essential, therefore, to transfer all questions of dealings in respect of Tajikistan to a special representative of the president with the rank of vice premier (this could be the vice premier in charge in the Government of Russia of questions of cooperation with countries of the CIS) with the creation under him of a special staff, on which there would be representatives of the Ministry of Foreign Affairs, the Ministry of Defense, the Federal Security Service, and the Federal Border Service.

One of this staff's tasks would be not only contact with the top Afghan field commanders but also the leaders of small Afghan formations, leaders controlling the Afghan border area, mujahidin from other Muslim states, and representatives of the so-called nongovernment organizations backing them.

A special document signed by the president of Russia would prohibit here a solution of important questions on Tajikistan in circumvention of the above-mentioned official.

In the event of these decisions not being adopted, events will develop as follows:

April-May—an increase in combat operations in the Darvazskiy District of Gornyy Badakhshan, and these are possible on the Ishkashim axis and in the Porshnev area (Gorno-Badakhshan Autonomous Oblast);

June-July—the opposition attempts to take control of the Khoburobat Pass. There will simultaneously be a buildup of the military forces of the opposition in the Garm group of districts, which will at the same time go over to active combat operations in the Pamirs. There will be increased pressure on the Kulyab axis also;

August-September—the high point of combat operations both on the border and within the republic. A sharp upsurge of terrorist activity, against Russian citizens included. In addition, a further growth of anti-Russian feeling in a number of Muslim countries should be expected. And, consequently, an increase in the flow of mujahidin from these countries and serious financial assistance. The appearance within one or two years in the arsenal of the opposition of the most modern means of warfare, including aviation, cannot be ruled out.

Considering that by this time (June-August particularly) a stimulation of guerrilla war in Chechnya is possible also (P. Grachev, minister of defense of Russia, is absolutely right here when he says that the war in Chechnya will continue for a long time yet, not those who maintain the opposite), Russia will find itself involved in a war on two fronts with the most severe consequences for itself.

It is obvious that the time has come for the leadership of Russia to display the political will to turn the negative situation in Tajikistan around. If Russia loses Tajikistan, it will consequently lose all of Central Asia. An example of this political will was set recently by President of Uzbekistan Islam Karimov, who met on 4 April with the leaders of the Tajik opposition in Tashkent.

Changes in Leadership Posts Evaluated

954F2118A Moscow NEZAVISIMAYA GAZETA in Russian 12 Apr 95 p 2

[Article by Oleg Panfilov: "The Majlisi Oli Has Chosen Its Leaders: Among the Deputies There Is an Officer of the Ministry of Defense of Russia and Not a Single Lawyer or Economist"]

[FBIS Translated Text] Of the 181 deputy's seats, only 160 were occupied at the first session of the new parliament. Organizational business was settled quite promptly, and the 40-year-old Safarali Radzhabov was, as moved by Emomali Rakhmonov, unanimously elected chairman of the Majlisi Oli (Supreme Assembly). Abdumadzhid Dostiyev was elected his first deputy, and from the Uzbek community, Toshtemir Dzhurabayev, and from Badakhshan, Kozidavlat Koimdodov, deputies. Thus two persons from the former Supreme Council leadership retained their seats.

Radzhabov's election as the new speaker can hardly be considered a sensation inasmuch as in recent months there had been a backstage struggle between the principal candidate for this seat—Abdumadzhid Dostiyev—and Emomali Rakhmanov. It was connected not so much with personal antipathies as with the fact that both Dostiyev and Rakhmanov are natives of Kulyab Oblast, and in the event of their having been elected to the leading positions, the principle of regional representation would have been violated. But the election of Radzhabov, who represents highland Fayzabadskiy Rayon, hardly represents observance of this principle. Safarali Radzhabov, who has in no way given an account of himself in politics, is most likely a routine nomenklatura entity, whose presence in parliament is to perform merely a representative role. Safarali Radzhabov is a graduate of the Dushanbe Pedagogical Institute and was director of the vocational-technical school in Fayzabadskiy Rayon and, following his election as deputy of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Supreme Council in 1990, was secretary and deputy chairman and, as of November 1992 (after the accession to power of the present regime), chairman of the Committee of the Supreme Council for Law and Order, Legislation, and Human Rights.

It would seem that the principal figure, though, will be, for all that, Abdumadzhid Dostiyev, who has "preserved" the office for Kozidavlat Koimdodov, former first secretary of the Khorog Communist Party City Committee. A new figure is Toshtemir Dzhurabayev, who has had a typical nomenklatura career: He started out as an instructor and the head of the Press Division of the Communist Party Central Committee and came in 1991 to head SOVET TODZHIKISTON, the parliamentary newspaper in Uzbek, but was forced to leave this post following several scandals of a "professional and financial nature." A relative of a most influential person, Abdugaffor Samadov, chairman of the kolkhoz bearing his name and twice hero of socialist labor, Dzhurabayev was appointed head of the administration of Dzhabbar Rasulov Rayon and became known by the fact that at the start of the year he staged an artistic composition for the best portrait of Emomali Rakhmanov.

There are surprises connected with the appointments also. The chairman of the Committee of the Supreme Assembly for Law and Order, Legislation, and Human Rights is Safarali Kendzhayev, former head of the Supreme Council (December 1991-May 1992), who has for the last two years been prosecutor of the small city of Kayrakkum in the north of the republic. Khudzhaakhmad Khidiraliyev, former deputy chairman of the Supreme Council from the Uzbek community, was elected chairman of the Committee of the Supreme Assembly for Women's Affairs, Health Care, and Social Protection. Whereas the candidacy of Khidiraliyev evoked no particular disagreements even for so specific an office, 40 deputies opposed Kendzhayev at the time of the vote. It was decided to form eight committees altogether. A Committee for Economics and Budget (Safar Safarov retains the leadership here), Defense and Security (headed by Muzaffar Ashurov, assistant prosecutor of Khatlon Oblast), Constitutional Development (headed by Rafika Musoyeva, member of the Communist Party Central Committee), Science, Education, and Youth Policy (headed by Mamadsho Khilolov, rector of Khorog University), Agrarian Policy, Food, and Employment (led by Narzullo Karmyshev, head of the administration of Pyandzhskiy Rayon), and Deputies' Ethics and Privileges (headed by the poet Mekhmon Bakhti).

The composition of the new parliament represents the entire spectrum of the "new nomenklatura": 55 of the 181 seats are occupied by the chiefs or deputy chiefs of administrations of various levels (they were all appointed to these positions by an edict of Emomali Rakhmonov); 51, by the leaders of enterprises, chairmen of kolkhozes, and directors of sovkhozes; 10, by employees of commercial structures; nine, by leaders of the former Supreme Council; eight, by trade employees; four, by doctors; two, by teachers; one, by a man of letters; one, by a diplomat (the ambassador in Kazakhstan); and two, by unemployed persons; and 42 deputies are combatants and field commanders of the People's Front. There is not a single practicing economist or lawyer in the Majlisi Oli, three of the five women smoothly crossed over from the former Supreme Council, and three pairs of brothers were elected even, two of which—the Cholovs and Kuvvatovs—are well-known People's Front combatants with criminal records. These brothers now work in the MVD and the Ministry of Defense of the republic. Also remarkable, in its way, is the election as deputies of the well-known racketeer Gaffor Sedov (known as the "Gray-Haired"), commander of the presidential guard, and Abdullo Fayzuloyev, commander of a Special Forces battalion for the constituency of highland districts of the Karategin Valley, whence their detachments have conducted punitive operations against the population. The election of Abduvali Karimov, an officer of the 201st Russian Motorized Division, as deputy of the Supreme Assembly was a complete surprise.

According to revised data, the national composition of the Majlisi Oli consists of two Russians—Yuriy Ponosov, mayor of Dushanbe, and Anatoliy Kopyltsov, chief physician of the sanitary-epidemiological station of Leninabad Oblast—one Kyrgyz woman—the head of the administration of Dzhirgatalskiy Rayon—and 18 representatives of the Uzbek community.

The crux of the propaganda speeches during the campaign was the proposition that four parties were fighting for deputy's seats. There was not a single opposition party (of those officially banned at the start of 1993) among them, it is true. Especially since the parliamentary elections were conducted according to the majority system, which does not influence the actual representation of the parties in the least. It is officially reported that 10 deputies are members of the Communist Party (Shodi Shabdolov, chairman), four, of the People's Party (Abdumadzhid Dostiyev, chairman), two, of the People's Unity Party (Abdumalik Abdulladzhanov, leader), and one, of the Political and Economic Revival Party (Mukhtor Boboyev, leader). But this hardly means that all the rest are nonparty persons inasmuch as a large number of the leaders of the administrations, except for those with criminal records, are composed of the former party and economic nomenklatura of various levels. Like the previous parliament, the Majlisi Oli will hardly be an independent authority, especially since, as in the government structures also, the majority of its leaders are natives of Kulyab Oblast.

The Majlisi Oli session appointed as the new minister of defense of Tajikistan Sherali Khayrulloyev, who replaced in this office Major General Aleksandr Shishlyannikov, who had been sent from Tashkent at the start of 1993. Sherali Khayrulloyev was previously deputy minister of internal affairs of Tajikistan. He, like all the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

leaders of the power departments, is a native of Kulyab. Amirkul Azimov, who had in recent months been presidential adviser for defense and security and, prior to this, deputy minister of internal affairs, was confirmed as prosecutor general of Tajikistan. Prior to the present regime coming to power he had been head of the Investigation Department of the republic procuracy and also the group investigating the events of February 1990, when one of those accused of having organized the unrest was Yakub Salimov, the present minister of internal affairs.

Uzbekistan

'Unprecedented' Meeting of Uzbek Leaders, Tajik Opposition

LD2204112595 Almaty KARAVAN-BLITS in Russian 19 Apr 95 p 6

[By Aziz Saidov]

[FBIS Translated Text] I think that this event may without any exaggeration be termed a political sensation: President Islam Karimov of Uzbekistan has received the leaders of the Tajik opposition. As it now becomes clear, it was at their request. Participating in the meeting were: Haji Akbar Turajonzoda, deputy chairman of the Islamic Rebirth Party of Tajikistan; Otakhon Latifi, chairman of the Coordinating Committee of the Democratic Forces of Tajikistan; and H. Holiknazarov, deputy chairman of the Democratic Party of Tajikistan.

Why do I consider it a sensation? First, it is unprecedented for Tajik opposition leaders to be received at such a high level in one of the Central Asian countries. Second, until recently our official propaganda used to talk about the opposition movement in the neighboring country in rather hard tones. (By the way, at the height of the fratricidal civil war, as well as in periods when it abated, local "mass media" on the whole did not hold back in its criticism of the opposition. Maybe because of that, the scale of the losses and devastation—as well as who was emerging the winner—became clearer, but now, when "the process has begun" at last in some other direction, it would be better to stick to the old proverb "let sleeping dogs lie." Let us refrain from quoting the bulletins of that time).

There is one more delicate aspect: During the conflict the foreign press repeatedly said that special units of Uzbekistan also appeared to be taking part in the fighting, alongside Russian instructors. At news conferences of the time Karimov decisively denied this, and none of the journalists were able to present any real proof of their allegations. But it is very possible that these rumors contributed to the cold air of estrangement....

But there are some facts that nobody can deny. Among the countries of our region, Uzbekistan was the one that displayed very deep concern about the fate of the neighboring people. Dozens of trains and vehicle convoys carrying food, medicaments, and other priority necessity goods, as well as construction materials, were sent there....

It appears that the present meeting became possible because official Tashkent, to say the least, is becoming increasingly disappointed by the hard line of the authorities in Dushanbe, by their inability or unwillingness to reach a settlement through political dialogue. President Emomali Rakhmanov of Tajikistan was criticized for this reason at the last meeting of the leaders of CIS states in Almaty.

What were the talks in Tashkent about? Karimov said that the conflicting sides should not spend time on delving into the causes of the conflict or the respective levels of rightness or guilt, but should listen to the opinion of ordinary civilians who have suffered heavy losses during the period of certain tragic events and only want to be able to live and work in peace. The president also stated his readiness to provide any assistance to the peace process and called on the opposition to renounce the military and extremist option, which does not correspond to the interests of the nation.

The leader of Uzbekistan especially noted that the countries of the region, the states of the CIS and authoritative international organizations such as the United Nations and the OSCE could make a considerable contribution to the peace process.

Karimov Cites Disciplinary Action Against 9,000 Officials

LD2204132195 Tashkent NARODNOYE SLOVO in Russian 22 Apr 95 p 2

[FBIS Translated Excerpt] In his address to the first session of the Supreme Assembly, President Islam Karimov analyzed in depth the radical transformations that have taken place in our country since it gained independence, and emphasized that the legal bases of the qualitatively new state have been created. It was pointed out, in particular, that during this complex period of transition, law enforcement bodies have ensured the priority of law and order and an excessive strengthening of crime is ruled out. At the same time it was pointed out that despite the successes achieved, there are no grounds for complacency. [passage omitted]

At the demand of the prosecutor's office, over 9,000 officials have been disciplined: 4,000 made subject to administrative sanctions and 5,700 made financially accountable. Action was brought against 1,570 persons who committed malfeasance and those who were guilty were made accountable by the courts. Damages of 11.6 million soms incurred by the state and society were indemnified at the expense of the guilty. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Japanese Credit of $85 Million To Be Spent on Fuel Projects

LD2104191895 Tashkent BIZNES VESTNIK VOSTOKA in Russian 21-27 Apr 95 p 1

[Article: "The Exim Bank of Japan Has Granted a Credit to Uzbekistan"]

[FBIS Translated Excerpt] The first credit of the Export-Import Bank of Japan of $85 million will be spent on purchasing equipment for the Kokdumalak oil and gas project. An inter-bank credit agreement was signed in Tokyo on 31 March. The National Bank for Foreign Economic Activities of the republic was the borrower on the Uzbek side and our government became the guarantor.

As executive director of the bank Mr. Masaaki Nangatu [as transliterated], who has arrived in Tashkent, told the journalists, Japan in this way "will make a weighty contribution towards the energy self-sufficiency of the country, which is still dependent on foreign oil imports."

Apart from the Exim Bank of Japan, the Exim Bank of the United States has also undertaken to provide finance for the exploitation of the Kokdumalak deposit, on which Uzbekistan pins its hopes for oil self-sufficiency.

It is likely that this first credit from the Japanese bank will not remain the only one. At the Uzbek Government's request, the Exim Bank intends to consider two more possible projects financing the republic's oil and gas complex: construction of the oil refinery in Bukhara region and reconstruction of the Fergana oil refinery. [passage omitted]

Foreign Investment Director Reacts to Istanbul Forum

LD2104121095 Tashkent VATAN in Uzbek 21 Apr 95 p 1

[FBIS Translated Excerpt] Experts from the CIS countries, Western Europe, and international organizations, as well as from the Turkish Agency for International Cooperation and the Turkish Government, have met for the first time ever in Istanbul to draft the law on recommendations for foreign investments. Professor Bakhtiyor Tursunov, the director general of the National Agency for Real Estate and Foreign Investment of the Republic of Uzbekistan, also participated in this meeting. [passage omitted]

[Unidentified correspondent] How was the "foreign investments" concept welcomed by the representatives of those countries that do not get much aid from abroad?

[Tursunov] In my opinion the question should be put in a different manner. But, fine. Today it is not easy for any country to entirely switch over to a market economy without foreign investment. For the CIS states in particular this aid is much needed. Now, turning directly to the "foreign investments" phrase, it must be said that there was much controversy about this concept at the meeting. It has been agreed that only those funds invested in long-term projects are to be specified as foreign investments in the draft law. This requirement will help to differentiate between investments and funds raised for loans and credits. The draft law on recommendations for foreign investments is to set aside as an exception foreign commercial investments supporting charity foundations. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Armenia

President, Premier Receive U.S. Energy Official

NC2004212695 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 20 Apr 95

[FBIS Translated Text] Armenian President Levon Ter-Petrosyan today received U.S. Deputy Energy Secretary William White and the delegation accompanying him.

The Armenian presidential press service reported that matters relating to the development of the energy sector in Armenia were discussed during the meeting. Armenian president's chief adviser Zhirayr Liparityan was present at the meeting.

Armenian Prime Minister Grant Bagratyan also received the same delegation today. In commenting on the recommissioning of the nuclear power plant, Mr. White said that in the opinion of the United States the Armenian Republic has no other alternative [to the nuclear plant] in the years ahead to ensure its energy needs.

The Armenian president's chief adviser, Zhirayr Liparityan; Economy Minister Armen Yeghiazaryan; Energy and Fuel Minister Miron Shishmanyan; U.S. Ambassador to Armenia Harry Gilmore; Congressman (Gregg Lapkin); and American specialists on energy policy and commercial cooperation were present at the meeting.

Ter-Petrosyan Favors Closer Economic Relations With Turkey

LD2104151995 Moscow INTERFAX in English 1242 GMT 21 Apr 95

[FBIS Transcribed Text] YEREVAN, April 21 (Interfax)—Armenian President Levon Ter-Petrosyan favors the establishment of mutually advantageous trade and economic relations between Armenia and Turkey.

"Through friendly relations, it is necessary to gradually overcome contradictions and restore mutual confidence," he said addressing on April 21 the opening ceremony in Yerevan of an international conference devoted to the 80th anniversary of the genocide against Armenians in Ottoman Turkey. Taking part in the forum are around 40 scholars and public figures from Russia, the United States, Germany, Britain, Syria and other countries.

Ter-Petrosyan believes that "it is inappropriate to explain" the 1915-1922 genocide, which killed 1.5 million people, according to Armenian sources, "because of ethnic, religious and economic rivalry between the Armenian and Turkish peoples". "The genocide was a purely political program, which proceeded from specific interests of the Ottoman Empire and which sought to exterminate the Armenians living on its territory," said the president.

He believes that "the European superpowers—Britain, France, Germany and Russia, played a rather considerable role in the implementation of this abominable program. By their uncoordinated actions, they caused irritation to the Ottoman Empire and did not care to create elementary guarantees for the physical existence of the Armenian people."

Ter-Petrosyan put a certain portion of blame for what happened on the Dashnaktsyutyun Party, now a leading opposition force in Armenia, because, he believes, in those years its leaders favored cooperation with the Turkish authorities and nothing was done to organize a more or less efficient self-defense.

Meanwhile, the Armenian parliament holds on April 21 a special session devoted to the 80th anniversary of the genocide against Armenians.

President on Genocide, Ties With Turkey

NC2204045595 Yerevan Radio Yerevan International Service in Armenian 1830 GMT 21 Apr 95

[President Levon Ter-Petrosyan's address to an international conference on the 80th anniversary of the Armenian genocide held at the Armenian National Academy of Sciences in Yerevan on 21 April—recorded]

[FBIS Translated Text] Esteemed chairman and conferees: In these days of commemoration of the 80th anniversary of its national tragedy and in paying homage to the sacred memory of 1.5 million martyrs, the Armenian people once more affirm their unbroken will to survive and their resolve to take their worthy place among the international community of nations.

We regard this international scientific conference gathered in the Armenian capital primarily as a gathering to pay respect to the memory of the victims of genocide, and secondly as a manifestation of friendship to our newly independent statehood.

Being deeply aware of your professionalism and expertise, I will not venture to enter into the vortex of complex historic and legalistic problems connected with the Armenian genocide. Instead I will confine myself to noting a few known truths which in my view are exceedingly necessary for the shaping of the modern Armenian political consciousness.

From the viewpoint of the rational assimilation of historic experience and of making sure that past mistakes are not repeated, I think that the time has come to assess the facts with cool judgment by discarding classical perceptions and psychological conditioning.

First, it would be inappropriate to explain the Armenian genocide in terms of religious, ethnic, or racial antagonisms between the Armenian and Turkish peoples, or in terms of economic and social rivalry. The governing methods in the Ottoman Empire shaped over the ages had more or less ensured peaceful coexistence between these peoples. It is true that that coexistence was based on the not so equal status between the Muslim and Christian peoples of the empire. Nevertheless, that state

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ensured some balance. In fact, the Armenian genocide was purely a political program serving the concrete state interests of the Ottoman Empire. Following the liberation of the Balkan peoples, the Armenian Question was ushered into international politics at the demand of the European big powers, and with Article 61 of the Berlin Treaty it was transformed into a program of reforms in the Armenian provinces within the Ottoman Empire. Turkey realized that come another war it would also lose Armenia. The only way to forestall this was the physical extermination of the Armenian people, which the Turkish authorities carried out methodically between 1878-1915. Sultan Hamit and the Young Turks' government bear the full responsibility for the concept, formulation, and implementation of the plan for the extermination of the Armenian people. This was a joint program which they started in 1878 and concluded in 1915.

Second, the European big powers—Britain, France, Germany, and Russia—not only did not take any practical steps between 1878- 1914 for the implementation of the reforms in the Armenian provinces of the Ottoman Empire, but with their uncoordinated interferences they directly endangered the physical existence of the Armenian people. That is, while antagonizing the Ottoman authorities with the internationalization of the Armenian question, the big powers did not care even for a moment about providing elementary guarantees for the physical existence of the Armenian people. This is a yardstick with which to measure their moral, and in case of Germany, direct responsibility for the genocide.

Third, in view of the conspicuously unequal correlation of forces between the Ottoman Empire and the Armenian people as well as the antagonisms between the big powers over the Eastern Question, it is hard not to confess that in this struggle for life and death the Armenians were condemned to destruction from the very start. Even with the maximum bracing of all its potential, the Armenian people were unable to foil the monstrous plan drawn up by the Ottoman Empire, especially because sadly enough the Armenians most glaringly lacked even the awareness of the existence of this plan.

Fourth, I think that the dominant view that the Armenian people could have avoided the ordeal by renouncing the idea of assisting the European countries to interfere in Turkey's internal affairs and by attempting to solve the problem of reforms in the Armenian provinces through direct cooperation with the Turkish authorities is very unrealistic. This is because, regardless of the Armenians' desire, the European countries could not have renounced the policy of exerting influence over Turkey on the pretext of making reforms in the Armenian provinces.

Despite this, we have to attest that the two currents of Armenian political thought—that is, the clerical-bourgeois and the revolutionary currents—tried to cooperate with the Turkish authorities, though inconsistently from to time. The current involving Ittihad [Young Turks's movement] and the Armenian Revolutionary Federation [ARF] was the apex of this cooperation. The Armenian people's vigilance was totally blunted because of that cooperation, and the period between 1908-1914 was never used to organize self-defense. No matter how bitterly, we have to confess that both political currents of Armenian thought not only (?failed) to foil the state program for the annihilation of the Armenian people—which, as was mentioned above, was almost impossible to foil—but also failed to take elementary measures to mitigate its consequences.

Fifth, if not preventing the genocide, the last opportunity of avoiding the destructive consequence of the genocide was missed by the Armenian people in 1914 when, in accordance with the decision adopted by its 8th General Congress in Erzurum, the ARF assumed the responsibility for participating in the general mobilization of the Ottoman Empire. Had the mobilization been rejected, nothing would have changed, the Armenian people would not have been able to prevent the planned debacle. Instead it would have provided an additional pretext to justify the oppression by the authorities. Nevertheless, had the people kept their armed forces, it would have been possible to organize a more serious self-defense in many places—mostly in Daron—and to avoid total annihilation.

Sixth, continuing to remain loyal to the Entente countries in 1920, the Armenian Republic's leaders could not correctly assess the emergence of Soviet Russia and Kemalist Turkey, as a result of which they lost both Armenia's independence and part of its territory. On the other hand, through direct Armenian-Turkish and Armenian-Russian agreements it certainly would have been possible to ensure a better future for Armenia.

Seventh, today Armenia and Turkey, as neighboring states, are obliged to establish mutually advantageous trade and economic ties and through good-neighborly relations to overcome gradually the historic enmities and restore mutual trust between the Armenian and Turkish peoples. This requires both sides to display both political will and morality.

In summing up my statement, I wish success to the international scientific conference on the 80th anniversary of the Armenian genocide, being confident that it will become an important milestone in the scientific study of this enormous crime committed against humanity.

Baburin-Led Russian Duma Delegation Visits

NC2104180895 Yerevan NOYAN TAPAN in English 1304 GMT 21 Apr 95

[FBIS Transcribed Text] 21/04/95 NOYAN TAPAN—A delegation of deputies of the Russian State Duma is currently visiting Armenia on the invitation of the Association of Armenia's Political Analysts and the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russian Community of Armenia. The delegation includes mainly deputies of the Russian State Duma's parliamentary faction "Russian Path" and is headed by the Chairman of the faction, Head of the "Russian All-National Union" Organization Sergey Baburin. The delegation also includes the Chairman of the Russian State Duma's Committee on Industry, Construction and Transport Ivan Anichkin and the member of the Duma's Committee on Education, Science and Culture Sergey Mikheyev.

The Russian parliamentarians visited Gyumri. On April 22 the deputies are scheduled to visit Stepanakert on the invitation of the Karabakh President Robert Kocharyan.

After the visit to Stepanakert the Russian deputies are to fly to Baku, where they will hold negotiations with Azeri authorities on release of two Armenian hostages.

"State Duma's Resolution on Condemnation of the Armenian Genocide of 1915-1922 is the warning to all countries of the world not to repeat such atrocities again", Baburin said appearing at an April 21 news conference dedicated to the Genocide of Armenians in the Ottoman Empire.

According to Baburin, the adoption of such a resolution is very important both for political and moral atmosphere in the country.

"We do remember about the tragedy of the Armenian people, which happened 80 years ago", Baburin said.

Speaking on the problem of Mountainous Karabakh, Baburin said that the main objective of their visit to this region is to find out motives which entailed the protracted war. "Our visit is prompted by the necessity to understand and study the situation in the region better", Baburin stressed. At the same time Baburin reported that he himself and his supporters are against Russia's tilting toward one of the conflicting sides, and as to the Karabakh problem, it is viewed by them from the point of view of security of Russia's southern borders. According to Baburin this issue should be resolved by "the integration of Russia and Armenia, if not, then let Washington care about the problem of Mountainous Karabakh".

Characterizing the Karabakh knot as a tragedy, Sergey Baburin blamed the leadership of the former USSR, and in particular Mikhail Gorbachev for his failure to give political and juridical assessment of what happened in Mountainous Karabakh.

The delegation expressed its concern over the problem of Russian language, since the Armenian Law on Language adopted by the Armenia's Supreme Council infringes on the rights of the Russian population residing in this country.

Expressing regret over the USSR's break-up, Baburin said that Russia bears responsibility for the future of all nations of the former USSR as well as for the security of its borders.

Backs Integration of Former Soviet Republics

NC2104182295 Yerevan SNARK in English 1439 GMT 21 Apr 95

[FBIS Transcribed Text] Yerevan, April 21 (SNARK)—The Russian Duma's Deputy Sergey Baburin told journalists at a today's meeting that the acceleration of integration processes through the former Soviet Republics is the only way to avoid crises and conflicts which are observed actually along the whole border of the former USSR. According to him, integrating processes will be sped up when Russian patriotic and civil forces rule the country.

Baburin stated that the former USSR with its borders can not be restored, while the creation of a new federative union is possible. Those republics which will not join this union should establish special relations with the union's members.

Duma Delegation Visits Nagorno-Karabakh

NC2204202495 Yerevan SNARK in English 1639 GMT 22 Apr 95

[FBIS Transcribed Text] Stepanakert, April 22 (SNARK)—Learning about situation in the conflict area, was the aim of visit of the Russian Duma delegation that arrived today from Armenia to Nagorno-Karabakh capital.

In his interview to the Karabakh TV, the chairman of Duma's "Russian Way" faction Sergey Baburin said the delegation would also like "to clarify two problems, namely the defense of Russia's southern frontiers, and the state of Russian-speaking population in Transcaucasus".

All this "includes the analysis of Russia's role in settlement of conflict round the Nagorno-Karabakh", added Mr. Baburin. When asked about possible ways out of conflict, as seen by the Russian MP, Mr. Baburin said he wouldn't give advice on that problem either to Armenia or Azerbaijan. However, he pointed out that present realities should be taken into account, particularly "the present special status of Nagorno-Karabakh".

The delegation was received today by the Acting Chairman of NKR [Nagorno-Karabakh Republic] Parliament Karen Baburyan and Foreign Minister Arkadi Ghukasyan.

In the afternoon, the Russian MPs left Stepanakert. Their plan also includes visiting of Azerbaijan.

Russian Ambassador on Duma Resolution on Genocide

NC2204103095 Yerevan NOYAN TAPAN in English 1734 GMT 21 Apr 95

[FBIS Transcribed Text] 21/04/95 NOYAN TAPAN—"Frankly speaking, it is quite surprising to me to hear that the Russian State Duma's Resolution condemning

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Genocide of Armenians was not signed and sealed by the State Duma Chairman Ivan Rybkin",- the Russian Ambassador to Armenia Andrey Urnov said in an interview to Noyan Tapan journalist. (During the interview a journalist reminded the Russian Ambassador of the statement made by the ARF- Dashnaktsutyun representatives during the recent news conference. The statement alleged that the text of the State Duma's Resolution is not published by the Russian press because there is no signature of the Chairman of the Duma under this document).

"I do not doubt that Duma adopted this Resolution. It was adopted unanimously and there was no one who voted against or abstained during the adoption", Urnov said. The latter pointed out that it is not so important whether the Chairman of the Russian Duma signed the document, or not.

According to Ambassador, different countries may react to this Resolution differently, but it was "the just and right move". "I suppose that Turkey will not be enthusiastic over the adoption of such a document", the Ambassador said adding that it will be an exaggeration to call this document a political risk, but as he put it "sometimes you have to take chances".

CIS Interparliamentary Assembly Condemns 1915 Genocide

NC2204143395 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1307 GMT 22 Apr 95

[FBIS Transcribed Text] Yerevan ("AZG", "HAYASTANI HANRAPETUTYUN" dailies), 04/22/95—Chairman of RA [Republic of Armenia] Supreme Council Babken Ararktsyan yesterday received a commiseration message from CIS Interparliamentary Assembly, dedicated to 80th anniversary of the genocide.

According to the press service of RA Supreme Council, the message particularly says that "CIS Interparliamentary Assembly reports its true commiseration to the Armenian people". It stresses that, based on the conventions of the United Nations "About prevention of crimes of genocide and punishment for them" and "About inapplicability of prescription rights to military crimes and crimes against humanity", "we qualify the massacres of Armenian people in their historical motherland as a crime against humanity, and condemn the actions of the Turkish Empire against Armenians in 1915-22".

Parliament Document Adopted on Genocide Anniversary

NC2104182595 Yerevan SNARK in English 1439 GMT 21 Apr 95

[FBIS Transcribed Text] Yerevan, April 21 (SNARK)—Armenian Parliament has held a special session to adopt a document concerning the 80th anniversary of the Armenian Genocide in Western Armenia.

Deputies rose in memory of the Genocide victims and then adopted a document addressed to governments, parliaments, non-governmental organizations and politicians of all the world to condemn the 1915 Genocide when 1.5 million Armenians were killed.

The document defines the Armenian Genocide as a crime against all nations and notes the importance of recognizing the Genocide by the European Parliament and the Russian State Duma.

Foreign Ministry Statement Denies Nagorno-Karabakh Pullout

NC2104205595 Yerevan NOYAN TAPAN in English 1210 GMT 21 Apr 95

[FBIS Transcribed Text] 21/04/95 NOYAN TAPAN—The Press-Service of the Ministry of Foreign Affairs of the Republic of Armenia appeared with a statement on April 20 regarding the April 18 AGENCE FRANCE PRESS report which said that the Foreign Ministry of Azerbaijan welcomed Armenia's offer to withdraw its troops from Mountainous Karabakh in exchange for Azerbaijan's lifting the blockade. According to FRANCE PRESS, the offer was allegedly made by President Levon Ter-Petrosyan. The statement of the Armenian Foreign Ministry in particular reads as follows.

"In connection with the above-said, the Press-Service of the Republic of Armenia considers its duty to announce that the claim of the Foreign Ministry of Azerbaijan is groundless and contradictory to the reality. It is another attempt by the official Baku to confuse the political situation at the moment when the international community takes serious measures to advance the negotiation process for settlement of the Karabakh conflict. The Armenian President did not make such offers, besides, it is well known that there are no military forces of the Republic of Armenia deployed in Mountainous Karabakh."

Unity Necessary To Succeed in Elections

NC2004174495 Yerevan NOYAN TAPAN in English 1636 GMT 19 Apr 95

[FBIS Transcribed Text] 19/04/95 NOYAN TAPAN—"The Presidential decree temporarily suspending the activities of one of the leading opposition parties—ARF [Armenian Revolutionary Federation]-Dashnaktsutyun in Armenia is first of all a political move and followed it resolution by the Armenian Supreme Court and arrests in connection with the activities of a clandestine "DRO" organization were just the attempts to juridically confirm the presidential decree, however these attempts have failed,"—a representative of the ARF-Dashnaktsutyun Bureau Vahan Hovhannesyan said during the April 19 news conference.

According to Hovhannesyan, on the eve of parliamentary elections the pressure of authorities on the opposition will be stepped up. "The opposition in Armenia is

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

artificially estranged from the people. The opposition is declared public enemy", he said. He pointed out that the Supreme Council's decision to adopt the president's version of the Constitution by referendum is an attempt to completely establish autocracy in Armenia.

Hovhannesyan reported that ARF's request for participation in parliamentary elections was rejected by the Central Election Commission. "Despite all this, ARF will continue its activities", Hovhannesyan emphasized.

Member of the Central Committee of ARF-Dashnaktsutyun Ruben Hakobyan appearing at the news conference reported that only unity will enable opposition to attain certain success during the upcoming parliamentary elections. He underscored that allocation of 40 seats for proportional election system splitted the opposition. Negotiations concerning these problems are being held among parties-members of the Alliance of National Accord.

Parliamentary Election Participants Detailed

LD2104183795 Moscow INTERFAX in English 1609 GMT 21 Apr 95

[FBIS Transcribed Text] YEREVAN, April 21 (Interfax)—Nineteen socio-political organizations and three party blocks will participate in party ticket elections to Armenia's new parliament, the National Assembly, scheduled for July 5 1995, the central electoral commission has said.

The application deadline expired on April 20.

One of the most influential opposition parties - Dashnaktsutun, suspended in January for six months, will take part in the elections under the new title, Artsakh-Ayastan. It has joined the left-wing alliance alongside the Union of Constitutional Law and the Zharang (Heritage) Party.

The ruling "Armenian National Movement" ANM, too, will take part in the elections in alliance with other parties. That association called Republic also incorporates the Christian-Democratic Union, the Republicans, the Social Democrats and the Liberal Democratic Party "Ramkavar Azatakan".

The Communist Party of Armenia, the Democrats and the National Self-Determination association will run in the elections on their own.

Observers in Yerevan believe that the ANM, the Communists and the Dashnaks are the most likely winners. A total of 190 deputies are to be elected to the National Assembly, including 150 in single-mandate constituencies and 40 on party tickets. Armenia's current parliament has 243 lawmakers.

Communist Party 'Condemns' Its Parliament Members

NC2204151595 Yerevan SNARK in English 1006 GMT 22 Apr 95

[FBIS Transcribed Text] Yerevan, April 22 (SNARK)—At a recent plenary meeting of its Central Committee the Armenian Communist Party condemned the deflection of communist fraction in Parliament from the party line and declared that it is no more responsible for the fraction's activity. The plenum decided to address the Party's Central Committee with a request to examine the personal records of the fraction members and to put on the next meeting agenda the issue of their further stay in the Central Committee as Members or Candidates.

ARF Publishes Newspaper Despite Government Prohibition

NC2104204595 Yerevan NOYAN TAPAN in English 1616 GMT 21 Apr 95

[FBIS Transcribed Text] 21/04/95 NOYAN TAPAN—The second issue of "TEGHAPAH" paper has been recently published in the Armenian capital. It is not known yet what structure of the ARF [Armenian Revolutionary Federation] this paper represents, but it is evident that the "TEGHAPAH" took the place of mass media establishments of the ARF prohibited in Armenia. The information of the paper is signed by the name of a prohibited news agency "HAYLUR". It concerns the Armenian Revolutionary Federation "Dashnaktsutyun" and issues related to it.

The Editorial of the paper announces the ARF Bureau's congratulations to Garegin I on occasion of his election to the post of Catholicos of All Armenians.

The paper features articles headed "We Follow Our Way", "On Human Rights in Armenia and Prohibition of ARF 'Dashnaktsutyun'", "Shadow election campaign", and several others.

Azerbaijan

U.S.-Azerbaijani Trade Agreement Ratified

NC2004165495 Baku TURAN in English 1459 GMT 19 Apr 95

[FBIS Transcribed Text] Baku (April 19) TURAN—The Milli Mejlis approved an "Agreement on Trade-Economic Relations between the United States and Azerbaijan" today. Nine letters have also been approved, which are constituent segments of the agreement. This agreement was signed on April 12, 1993 by former Foreign Minister Tofig Gasanov. The Head of the Legal Department of the Supreme Council, Khalaf Khalafov, said addressing at the session that "most countries try to have similar agreements with the U.S., but there are very few who manage to sign it." He said that the document was agreed upon by many other government entities of the republic and its ratification is a tremendous advantage for Azerbaijan in the world market.

According to Vice Speaker, Arif Rehimzade, the agreement deals with issues concerning the trading of and the production of goods.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"The agreement will create beneficial conditions for trade between Azerbaijan and the US and will attract a lot of foreign investors," he noted. This agreement was ratified by 32 votes "for" and one abstention.

U.S. Energy Department's White Meets Officials

Gasanov Comments on Meeting

NC2104162195 Baku TURAN in English 1929 GMT 20 Apr 95

[FBIS Transcribed Text] Baku (April 20) TURAN—"The question concerning the status of the Caspian Sea was brought up during meeting with the U.S. Deputy Secretary William White", journalists were told by Gasan Gasanov. According to him, the parties stated that "lack of legally grounded status of the Caspian Sea cannot affect the implementation of the contract." Gasanov said that the possible routes of the export of oil were also discussed.

Concerning the position of the U.S. in the Armenian-Azeri conflict, Gasan Gasanov noted that "the U.S. have to state more concretely its position concerning the responsibility of Armenia in the settlement of the conflict and be more categoric in the withdrawal the Armenian troops from the Azeri territories. At the present stage the Armenian-Azeri cooperation gives a ground to think that America's position is right. There are not contradictions with the U.S. on that issue," Gasanov said.

Speaking about the contacts of the Presidents of both countries, he said that they were in correspondence at present. According to him, the President Aliyev was invited to the September jubilee session of the U.S. General Assembly. Presently Azerbaijan is satisfied with the number of contacts between the presidents. Besides, Aliyev will have a meeting with Clinton in one of the cities London-Paris-Moscow, Gasanov said.

Aliyev Discusses Oil Consortium

NC2104160895 Baku TURAN in English 1812 GMT 20 Apr 95

[FBIS Transcribed Text] Baku (April 19) TURAN—Today Geydar Aliyev met with the U.S. Deputy Minister [Deputy Secretary] of Energy William White. The President noted that "co-operation of Azerbaijan with five U.S. Companies in the oil consortium is an evidence of a serious economic co-operation between Azerbaijan and the U.S. If to add the 'Exxon' to those companies—it will be the evidence the great changes to better in the relations between two states," noted Aliyev. He noted that after signing of "the contract of century" last September Azerbaijan had faced a serious difficulties, but "with the help of God they were overcome. For already 11 months a cease-fire has been maintained and we meet with you, but this time in more beneficial conditions and that will let us to discuss some problems," Aliyev said. The participation of the representatives of the Security Council, State Department, the Ministry of Energy and the Congress creates good conditions for that.

Mr. White greeted Geydar Aliyev on behalf of the leaders of the U.S. He assessed the implementation of the oil contract as "coincidence of the interests of international community and Azerbaijan. We know that you had serious negotiations for a defence of the national interests of Azerbaijan in that oil contract," noted White. The Deputy Minister of Energy confirmed the opinion that "the interests and connections between two states become more close." Aliyev expressed satisfactions with coincidence of the interest of the U.S. and Azerbaijan and said that this process will develop in future. "We treat a long-term participation of the U.S. companies in the economy of Azerbaijan just in this aspect, as it is clear that the talk is not only about the oil. A long stay of the U.S. companies here creates a basis for the strengthening the strategic interests of the U.S. We support these interests and hope that our co-operation will serve the case of strengthening of peace in Azerbaijan and the Caucasian region in the whole," Aliyev said. He reminded that Azerbaijan co-operates closely with the U.S. for peaceful settling of the conflict between Armenia and Azerbaijan.

According to Aliyev, after his meeting with Bill Clinton last autumn "several decisive steps" were taken in this direction, a very significant document was adopted at the OSCE Budapest Summit. However, that did not bring about final peace and we want to sign a major political agreement for the political settlement. "We are waiting for serious steps in this direction and it is also necessary for the implementation of the oil contract," Aliyev said. "Speaking about peace we mean that all the occupied territories will be liberated and millions of refugees will return to their native places," the President said.

White said that the U.S. supports those countries which conduct economic and political reforms. Azerbaijan has a unique opportunity to participate in the case of resolve the energy problems of the world. He wished that Heydar Aliyev expressed his opinion on the status of the Caspian Sea and on the route of transportation oil to the world markets.

The President said that Azerbaijan conducted a wide range of economic reforms and the laws on privatisation, on parliamentary election will be adopted in the near future, a new Constitution is being created and a parliamentary elections will take place in October. "Most of the political parties in Azerbaijan are opposition parties, but we have not any contradictions concerning the independence of the country, we want our country to be independent and the opposition wants the same," the President said. "The point is who will be in the office, and I think that this matter will become clear during the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

elections. I want to declare that the elections will be democratic and multipartied. [No closing quotation marks as received]

Then the meeting was held behind the closed doors.

Oil Pipeline Through Georgia Backed

NC2104205695 Baku TURAN in English 1220 GMT 21 Apr 95

[FBIS Transcribed Text] Baku (April 21) TURAN—"The U.S. comes out for shipment of the oil extracted in Azerbaijan to Europe through Georgia", the U.S. Deputy Secretary for Energy, Mr. Bill White, said yesterday in Tbilisi.

The Georgian sources report that Georgia's President Edward Shevardnadze, supported this idea and said that "Georgia is interested in laying of the oil pipeline through its territory".

Earlier several Western sources reported that the participants of the oil consortium achieved preliminary agreement on laying of the oil pipeline from Baku to Batumi (Georgia) and then to the Mediterranean coast of Turkey. This idea was officially announced by Turkey's President Suleyman Demirel during his visit to Georgia half a year ago.

The sources from Tbilisi report that now we can speak only about shipment of primary oil to Georgia, but Moscow is hardly to agree with that. Russia insists on laying of the oil pipeline from the North Caucasus to the Black Sea coast.

Aliyev Meets U.S. Businessman, Gives Condolences on Blast

NC2104174695 Baku TURAN in English 1219 GMT 21 Apr 95

[FBIS Transcribed Text] Baku (April 21) TURAN—Last evening President Aliyev received Vice-President of the American company GTE, Mr. Terry Campbell.

During the meeting Mr. Campbell said that his company is the biggest telephone company in America. "We have 22 million telephone subscribers in the U.S. Our purpose is to implement projects for modernization of the telecommunication systems in Azerbaijan", he said. He also mentioned that GTE is the largest producer of the telephones for the U.S. military structures. The headquarters of the company is located in the U.S. state of Massachusetts. Mr. Campbell handed the message of the Senator of the Massachusetts state, Mr. Edward Kennedy, to President Aliyev. The Senator wished to meet with President Aliyev.

President Aliyev mentioned that he will charge the appropriate structures with providing of necessary assistance to the American company. President Aliyev also wishes to meet with Mr. Edward Kennedy and invited him to visit Azerbaijan any time suits him.

President Aliyev welcomed the intention of the foreign companies, including the American company GTE, to implement projects in Azerbaijan. Azeri President also presented condolences to the American nation and the U.S. President Bill Clinton due to casualties of the act of terrorism on April 19 in the state of Oklahoma. "I am concerned about the deaths of the children. It is unbearable", Azeri President said.

Then the meeting among Azeri President, the U.S. Ambassador to Azerbaijan, Richard Kauzlarich and Mr. Terry Campbell continued behind the closed doors.

Turkish Air Corridor to Armenia Part of U.S. Peace Plan

NC2204202395 Baku TURAN in English 1607 GMT 22 Apr 95

["Ankara Has Made Good Will Gesture to Yerevan, Now Word Rests With Armenia"—TURAN headline]

[FBIS Transcribed Text] Baku (April 22) TURAN—As was earlier reported, Turkey agreed to open the air corridor to Armenia. The American Administration welcomed the resolution of Ankara. President Clinton said that Turkey helped the White House with its resolution, since the latter was pressurized by the Armenian lobby in the case of the Armenian-Azerbaijani conflict settlement. Now the experts say that Ankara's resolution will let the U.S. to exert pressure on Armenia to achieve peace agreement with Azerbaijan.

The Turkish sources say that Ankara's good will gesture was coordinated with Azeri President during the visit of Turkey's Prime-Minister, Tansu Ciller, to Baku on April 12.

The following demands are laid down to Armenia in exchange for opening of the air corridor: to stop aggression against Azerbaijan, to recognize Azerbaijan's sovereignty over the Lachin region, the control over which is given to the international forces. In exchange for that Azerbaijan will recognize the autonomy of Nagorno-Karabakh.

The above-mentioned points will not be settled at once, but Ankara's step will give America the opportunity to intensify the efforts for advancement of the negotiation process. At the same time Turkey hopes that Armenia will lift its objections concerning participation of the Turkish forces in the peace-keeping forces, which will be dispatched to the conflict region under the aegis of the OSCE.

Commenting on Ankara's intention to open the air corridor to Armenia, the State Advisor for Foreign Affairs, Vafa Gulizade, told TURAN's correspondent: "Turkey is an independent state, it can adopt resolution springing from its own national interests. However, Azerbaijan is one of the national priorities in the Turkish policy. That is why the steps taken by Turkey cannot deliver damage to Azerbaijan".

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

State Oil Chairman Invites Iranian Oil Ministry for Talks

NC2104183295 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 20 Apr 95

[FBIS Translated Text] Natik Aliyev, president of the Azerbaijani State Oil Company [SOCAR], has stated that Azerbaijan intends to cooperate with Iran in the future. With this in mind, Natik Aliyev has invited the Iranian Petroleum Minister Gholam Reza Aqazadeh to Baku. The examination of draft agreements on cooperation, particularly the preparations for the oil production in the Shahdeniz oil field, are envisaged during the visit.

At present, the SOCAR is holding talks with the British Petroleum over this oil field. According to KHABAR SERVICE news agency, SOCAR is considering inviting Iran to participate in the oil production in the Kepez and Karabakh oil fields too.

Aliyev, Iranian Envoy Discuss Problems With Oil Consortium

NC2104200995 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 21 Apr 95

[FBIS Translated Text] Azerbaijani President Geydar Aliyev received today Iranian charge d'affaires ad interim Mohammad Taheri [title as heard] at the latter's request. Karanfil Khalilova reports:

[Begin recording] [Khalilova] Mohammad Taheri stated that his intention is to learn about the reasons for the invitation to the Iranian Petroleum Minister Gholam Reza Aqazadeh to visit Baku; to clarify to what extent the letter of Terry Adams, the President of the Azerbaijani International Consortium, to the Islamic Republic of Iran telling it that it is no longer a member of the consortium corresponds to the Azerbaijani position; and to find out if there was any possibility of the Azerbaijani president meeting with Hashemi-Rafsanjani.

Taheri expressed uneasiness over the publication of articles in the Azerbaijani press aimed at cooling the ties between the two countries.

In reply, Geydar Aliyev noted that the publication of similar materials and even official statements in the Iranian press, particularly in the TEHRAN NEWS, is in turn causing some uneasiness in Azerbaijan. The fact that a meeting of the foreign ministers of Iran, Armenia and Turkmenistan and later on of Iran, Ukraine, Turkmenistan, and Armenia were held in Iran, and that Azerbaijan was not invited has also drawn some reaction in the press.

However, no matter what, no force should prevent the development of the ties between the two countries.

[Aliyev] No force could ever undermine the friendly and fraternal relations between Iran and Azerbaijan. The Russian press have also started publishing some articles alleging that the ties between Azerbaijan and Iran are cooling down. As I already told our foreign minister and official organs, such rumors should be treated extremely coolly and calmly, for various forces might exploit such situations. In fact they have tried to exploit it. Therefore, I want to state—and I request that you convey this to Tehran—that the friendly relations between Iran and Azerbaijan are solid as far as we are concerned and we will continue to work to develop these relations. And, I believe that no force could undermine or negatively affect them.

[Khalilova] The Azerbaijani president said that he was unable to meet Iranian President Hashemi-Rafsanjani in Islamabad on 13 March or in Bandar 'Abbas on 17 March due to the coup attempt in Azerbaijan and expressed his readiness to hold such a meeting if a suitable opportunity arises.

Mr. Mohammad Taheri appreciated the fact that the coup attempt in Azerbaijan was foiled and stability restored there. However, he noted that some problems have arisen in the implementation of the documents signed with Iranian Petroleum Minister Aqazadeh in November 1994 and with the other delegation in February. The charge d'affaires ad interim noted that he too believes in the solidity of the friendly ties between the two countries, which share a 1000-km border; and as a caring neighbor rendering assistance to the Nakhichevan people and the refugees from the very first day of the war, it expects the implementation of the signed documents.

Mr. Mohammad Taheri was interested to know if the Azerbaijani president could take part in [Azeri poet] Fizuli's anniversary jubilee in Iran on 18 May, when he could clarify all the issues. Geydar Aliyev said that he is ready to take part in Fizuli's jubilee.

Azerbaijani President Aliyev stressed that Terry Adams, as the leader of the consortium, has full jurisdiction and that Gholam Reza Aqazadeh has been invited to Azerbaijan to clarify certain points and to determine the possibilities for cooperation.

In reply to Mohammad Taheri's reference to one of the opposition newspapers, President Aliyev noted that these newspapers also write many things against the Azerbaijani state, and their views do not represent the position of the Azerbaijani state. [end recording]

Aliyev: 'Huge Potential' for Iran in Oil Development

LD2404110395 Tehran IRNA in English 1046 GMT 24 Apr 95

[FBIS Transcribed Text] London, Apr. 24, IRNA—Azerbaijan is seeking to preserve good relations with Iran by pointing out there is a huge potential for collaboration with Tehran in the country's oil development despite being excluded from a U.S.-led consortium project.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In an interview with Petroleum Argus, President Geydar Aliyev said that "big opportunities" exist for Iran, pointing to plans for joint construction of a refinery, gas pipeline and hydroelectric plant, all in the Azeri enclave of Nakhichevan.

Another main candidate is the deepwater field of Shakh Deniz, which is under negotiation with British Petroleum, Norway's Statoil and the Turkish Petroleum, which because of the absence of U.S. firms could be easier to include the National Iranian Oil Company (NIOC).

Aliyev was quoted saying that politics as well as economics drive decisions in the Caspian Sea and that Azerbaijan wanted to balance the interests of its Iranian neighbor with those of foreign companies and those of the United States.

The Azerbaijan international operating company recently told IRNA of intense U.S. pressure to exclude Iran from the consortium to develop Chirag, Azeri and Guneshli offshore fields, where American firms have a total 44 percent stake.

Yet the consortium depends upon Iranian involvement to export early production for the next several years in swap deals that it hopes to arrange with Tabriz refinery.

Since the rejection of Iran's 5 percent share, the Azeri state oil company Socar has allocated a similar stake to Exxon, but at a price over five times more than original members and including a reported dlrs [dollars] 86 million to an 'Azeri social fund.'

Identical terms are said to be offered to Turkish Petroleum to increase its share from 1.75 to 6.75 percent.

According to London-based Petroleum Argus, the two companies will also meet Socar's costs for its remaining 10 percent stake, for repayment from project oil revenues.

Guluzade: Pipeline Route Depends on Armenian Policy Change

NC2204203995 Baku TURAN in English 1607 GMT 22 Apr 95

[FBIS Transcribed Text] Baku (April 22) TURAN—"Armenia must completely change its foreign policy if it wishes to receive the oil pipeline through its territory", the State Advisor for Foreign Affairs, Vafa Guluzade, told TURAN's correspondent.

The State Advisor mentioned that the "issue on the route of the export oil pipeline will be settled in the near future, since the extracted oil cannot wait". Vafa Guluzade said that this must be the most optimal variant, first of all meeting the interests of Azerbaijan and the consortium as well. "The oil pipeline must be laid through the liable territory", he mentioned.

Guluzade did not refute that the variant through Armenian territory is also one of the possible variants of the route. "However, this routes demands political independence of Armenia. Azerbaijan will never lay the oil pipeline through the hostile territory", the State Advisor said. "As long as Armenia is enemy and the occupant of the Azeri territories, the route through its territory won't be laid", he added.

"Armenians do not have much time to think it over. I do not know whether they will have enough force to use the only historical opportunity to become normal independent state. The oil pipeline will bring them oil-dollars and they will have their own energy resources. In other words, Armenia can become a normal country and get rid of the role of any vassal and satellite. If Armenians miss this opportunity, the issue on the oil pipeline will be settled in several months. And Armenia will continue pursuing its policy in the future as well".

A highranking official in the Azerbaijani Government said that the route of the oil pipeline through Armenia is advantageous for Yerevan. After conclusion of the truce, Armenia will face the problem of payment of reparation to Azerbaijan. It will have to compensate the damage delivered to Azerbaijan during the war. Only laying of the oil pipeline through Armenia will allow it to pay reparation at the expense of the oil-dollars.

Iraqi Industry Minister Invited for Cooperation Talks

NC2204045495 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 21 Apr 95

[FBIS Translated Text] Rafik Khalilov, director of the Goods for People state concern, received the acting ambassador of Iraq in Azerbaijan Dr. (Mehdi Talib) at the latter's request. The urgency of expanding economic and trade relations between the two countries and forming joint ventures was noted during the meeting. Iraq's industry minister was invited to Baku to start practical activity.

The Iraqi ambassador stated that his country supports President Heydar Aliyev's domestic and foreign policies. The ambassador said that many years of personal acquaintance between Presidents Saddam Husayn and Geydar Aliyev has created real opportunities to expand the mutual cooperation.

Russian Official, OSCE Meet on Nagorno-Karabakh

NC2204112695 Baku TURAN in English 1725 GMT 21 Apr 95

[FBIS Transcribed Text] Moscow (April 21) Turan—An issue on peaceful settlement of the conflict in Nagorno-Karabakh was the key subject during the meeting of the Secretary of Security Council of Russia Oleg Lobov and the Co-Chairman of of the OSCE Minsk group for Nagorno-Karabakh in the Security and Co-operation

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Organisation in Europe (OSCE), Deputy State Secretary of Finland Foreign Ministry Kheyki Talvitie, who is in Moscow presently.

The parties noted the importance of the decision of Budapest meeting of the OSCE on a high level and said that it was necessary to follow a cease-fire regime, established in Nagorno-Karabakh on May 12, 1994, and activisation of the negotiation process. An intention to do all possible in the future for the restoration of firm peace in Caucasus was expressed.

Chechnya President's Adviser Gives News Conference

NC2104150595 Baku TURAN in English 1822 GMT 20 Apr 95

[FBIS Transcribed Text] Baku (April 19) TURAN—Approximately 45,000 civilians died in Chechnya from the beginning of military actions. 80 percent of them are civilians of Groznyy, said First Advisor of [Dzokhar] Dudayev Ramzan Goytemirov at the press-conference held in Baku. He said that the number of the displaced people from Chechnya has reached 400,000. The losses of the Russian Army totalled 18,000 people, 350 of them were 350 senior officers and one General. 20 helicopters, 9 planes and 1,200 units of military hardware by the Russian Army has been destroyed.

Touching on the problem of war prisoners Ramzan Goytemirov noted that from the very start of the conflict 800 soldiers were returned to their mothers, 60 war prisoners were returned to Russian deputies who met with Dudayev. Speaking about the capture of Samashki village by the Russian troops, Goytemirov said that about 600 people had been killed, most of them were old men. Concerning Bamut village Russian troops fail to capture it. Thus, on April 16-17 during the attack 100 Russian soldiers were killed.

It was told at the press-conference about the working group on the peaceful settlement of the conflict in Caucasus, which was scheduled for April 25 in Baku under the chair of the President Geydar Aliyev. A decision on the creation of such a group and conduction of a first session in Baku was adopted in Kiev at the conference on the Chechen problem held on March 18. Former U.S. State Advisor Zbignev Brzezinski initiated to set up that group. A letter proposing to chair the scheduled session was sent to the President of Azerbaijan on April 10, Goytemirov said.

Party Leader Supports 'Authoritarian' Rule

954F2124A Baku ZERKALO in Russian 15 Apr 95 p 2

[Article by Abutalyb Samedov, chairman of the Alliance for Azerbaijan party: "Only Strong Authority Can Create a Democratic Society"]

[FBIS Translated Text] The decision on the transfer of 10 percent of its share to companies of the United States and Turkey and on the impossibility of Iran's participation in the consortium has caused unhappiness in our southern neighbor. Velayati, minister of foreign affairs of Iran, observed in his statement that this step will not benefit Baku and broached the question of the status of the Caspian. The question of status is not the sole method of putting pressure on Azerbaijan on the part of Iran, and it has to be assumed that other steps in this direction will be taken also.

Azerbaijan's decision concerning its share was greeted with dissatisfaction in certain circles of France and Russia also. Although this matter was not raised during the visit to Azerbaijan of Russian presidential aide D. Ryurikov, questions concerning the route of the oil pipeline, the status of the Caspian, joint protection of borders, and so forth are still on the agenda. It is clear also that pressure on Azerbaijan on the part of Russia is not confined to the closing of roads. The Russian-Iranian rapprochement, which has in recent days evoked serious concern in the West, promises nothing good for us either.

The arrival in Baku of Turkish Prime Minister Tansu Ciller prior to her trip to Washington and her negotiations with the president of Azerbaijan did, at least, implant a certain hope, but one thing is clear: Pressure on our republic, which has found itself at the center of the interests of the great powers, continues, and it will intensify. If it is considered that the majority of republics of the former USSR are independent in purely symbolic fashion, it is clear how necessary civic solidarity and national unity are for the preservation of our independence. But do the opposition parties understand this need? Unfortunately, they do not!

In my opinion, it is essential to express our attitude toward one question discussed recently in opposition circles. The opposition parties have presented the proposal for the creation of a classical people's front for "the building of a democratic state" and "struggle against the fledgling dictatorship." What do such steps serve in actual fact? They are, in fact, aimed against Azerbaijan's independence and the formation of a democratic society. Because those who came to power by breaking glass, picketing the parliament building, creating illegal armed formations, and employing other "democratic methods" and who were sent packing the same way, incidentally, understand that there is no room for them in a democratic society requiring brains and intellect. The creation of the conditions of normal political competition and the formation of democratic traditions will be the reason for the departure from the arena of many of the people who gained celebrity on the wave of public meetings. Democratic conditions will help to shape new personalities, and they will continue the cause of G. Aliyev, the builder of the independent Azerbaijani state.

It is well known that our republic was for a long time part of the USSR and that we lived under conditions of totalitarianism. It is known also that no state in world history has switched all at once from totalitarianism to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

democracy. This is confirmed by the history of Britain, Spain, France, Portugal, and other countries. The transitional period requires the presence of an authoritarian (translated from the Latin for creator) power. The main difference between this power and totalitarianism is the fact that it serves not a common ideology but the concept of national unity, certain shoots of a democratic regime are present in it, and strong political authority is combined with a free economic system. For Azerbaijan, which has in three years experienced six attempted coups d'etat, a strong presidential authority in the transitional period is essential. It is Azerbaijan's good fortune that Geydar Aliyev, who has made extraordinary contributions to our history, is not afraid of unpopular steps in the name of the conversion of Azerbaijan into an independent democratic state and is steadfastly standing firm in the face of domestic and foreign pressure. Unfortunately, forces that beneath a veil of "struggle for democracy" are endeavoring to undermine independence and democracy do not understand or do not want to understand this. I would like with all sincerity to remind the errant forces of the French saying: "The person seeking the shortest path to liberty ends up in bondage!" Our wise forefathers also warned those in a hurry against a meeting with the tedir.

I would like to remind those living in hope that "a return is possible" and conducting a struggle against Azerbaijan of the words of G. Aliyev, and in this way to advise them to quit this path: "As long as there is G. Aliyev, there will be independence. And G. Aliyev will be around for a long time yet. Rest assured!"

Georgia

Shevardnadze on U.S., Iran Interests in Georgia

LD2104131395 Moscow ITAR-TASS World Service in Russian 1152 GMT 21 Apr 95

[By ITAR-TASS correspondent Albert Kochetkov]

[FBIS Translated Text] Tbilisi, 21 Apr—"Iran is a participant in the international Nuclear Nonproliferation Treaty which is soon due to expire. We are ready to be a party to it once again, but on certain conditions proposed by Iran. These conditions will be made known before the renewal of the treaty." This has been stated by the Iranian President 'Ali Akbar Hashemi-Rafsanjani. He spoke here today at a joint news conference with Georgian leader Eduard Shevardnadze at the end of his three-day visit to the republic.

Because the United States and the Islamic Republic of Iran have lately shown increased interest in Georgia and in strengthening their positions and influence here, an ITAR-TASS correspondent asked Shevardnadze to explain whether there is a divergence between the interests of the U.S. and Iran on its territory. The head of the Georgian state said: "We have sufficient foresight and political wisdom to ensure that this does not happen and that the republic's interests do not suffer."

The Iranian president is in Georgia on an official visit, during which he has visited the Black Sea ports of Poti and Batumi and an aviation production association in Tbilisi. The outcome of his visit was the signing of a number of agreements between Georgia and Iran on trade and economic cooperation.

Hashemi-Rafsanjani left for home today.

Iranian President Hashemi-Rafsanjani Pays Official Visit

Six Cooperation Documents Signed

LD2104142395 Tehran IRNA in English 1234 GMT 21 Apr 95

[FBIS Transcribed Text] Tbilisi, April 21, IRNA—Iran and Georgia signed a joint communique, four letters of understanding and an agreement on Friday [21 April] on political, industrial, cultural, transportation, commercial and customs cooperation.

The joint communique was signed by the visiting President Akbar Hashemi-Rafsanjani of Iran and his Georgian counterpart Eduard Shevardnadze.

The joint communique stressed friendly ties between the two countries in the region and at international level.

It also emphasized the independence and territorial integrity of the two countries and called for the settlement of regional conflicts through peaceful means and supported the regional and international measures on regional conflicts.

The statement also stressed multilateral economic talks towards economic expansion of the regional countries.

It called for the promotion of ties at regional and international circles.

Meanwhile, four letters of understanding and one agreement were signed between the two countries.

A letter of understanding on industrial and energy cooperation was signed by Iranian Minister of Economy and Financial Affairs Mohammad Khan and the Georgian Deputy Prime Minister Zurab Kervalishvili.

According to this agreement, Iran will cooperate and invest in Georgia to produce cyanide sodium.

The agreement also includes renovation of the automatic stems to control the thermal power station in Iran.

The second letter of understanding signed between the two countries deals with transportation cooperation according to which Iran will utilize Georgian transportation means to carry goods from Iran to Europe and the vice-versa.

According to this agreement goods will be carried to Europe by railroads and international roads which link Iran and Georgia.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The agreement also envisages establishment of terminals for Iranian trucks in the port city of Poti, in west of Georgia as well as maximum utilization of the existing potentials in the Georgian transportation system.

This letter of understanding was signed by Iranian Minister of Roads and Transportation Akbar Torkan and Georgian head of the coordinating State committee in Transportation Affairs.

The third letter of understanding dealt with customs issues which was signed by Mohammad Khan on behalf of Iran and Kervalishvili on behalf of Georgia.

According to it, a committee will be set up by relevant officials to follow up the customs agreements and to eliminate the problems and obstacles that tradesmen from both countries are faced with regarding customs issues.

The two sides will exchange information and experience regarding the ban on smuggling of goods and narcotics.

It was agreed that a joint meeting would be held annually between the customs departments of the two countries in Tehran and Tbilisi to follow up the accords relating to customs cooperation.

Iranian Minister of Commerce Yahya al-Eshaq and his Georgian counterpart Murtaz Zankaliani signed a letter of understanding on commercial cooperation.

On the basis of this agreement, measures would be taken by the two ministers so that Iran-made goods would be handed over to Georgia.

The two sides also agreed to produce joint programmes and broadcast television programmes, which are consented by the two sides, and engage in the exchange of educational and technical know- how.

They also recommended plans would be adopted on exchange of university professors and students, granting of scientific scholarships as well as exchange of university books and researches.

Shevardnadze, Hashemi-Rafsanjani Discuss Abkhazia

LD2104125495 Tbilisi IPRINDA in Russian 1120 GMT 21 Apr 95

[FBIS Translated Text] Tbilisi (IPRINDA)—On 21 April the leaders of Iran and Georgia held a joint news conference.

Eduard Shevardnadze said that over the last two days the two sides had discussed issues of mutual interest. Six documents have been signed during the visit. They are: A memorandum on mutual understanding between the two countries; agreements in the spheres of culture, education, science, as well as transport, customs, trade, and material supplies. They have also discussed the power crisis in Georgia and ways to lead the country out of the crisis. The two sides agreed that Georgia would supply Iran with products from metallurgical, chemical, and car construction factories. Shevardnadze noted that in one month's time, Iran and Georgia would hold a joint session and finally sign all agreements drafted during the visit.

Hashemi-Rafsanjani noted that Iran was ready to invest in the Georgian economy on a mutually-beneficial basis. In the president's words, they had discussed the issue of Iran helping Georgia in settling the Abkhaz conflict, if such a need were deemed necessary.

On 21 April at 1730, Hashemi-Rafsanjani will leave for Iran.

Hashemi-Rafsanjani Condemns Oklahoma Bombing

LD2104153395 Tehran IRNA in English 1453 GMT 21 Apr 95

[FBIS Transcribed Text] Tbilisi, April 21, IRNA—President Akbar Hashemi-Rafsanjani here Friday [21 April] strongly condemned the bombing in the Oklahoma city, calling it a "criminal" act. Hojjat ol-Eslam Rafsanjani made the statement at a press conference, held here on Friday, in the conclusion of his visit to Georgia. Georgian President Eduard Shevardnadze was also present at the conference.

Asked by a reporter on his views on the explosion, President Rafsanjani said that Iran's position towards the issue was "very clear." He added that Iranian officials were strongly against such crimes committed by anyone. The Iranian official said despite the negative conduct of the U.S. towards the Iranian nation, the Iranian officials could not condone such "anti-human and criminal" actions that have taken place in the U.S.

Also on the likelihood of Iran's signing the atomic Non-Proliferation Treaty (NPT), President Rafsanjani said that Iran had positive views on inking the next treaty and that it would sign it under special conditions, which, he added, would be announced later on.

On Iran's assisting Georgia to settle Abkhazian dispute, President Rafsanjani said that he had held talks with Shevardnadze on the issue. He continued that he had confirmed "clear" views expressed by Shevardnadze on ways to resolve the issue. He added that Georgian officials agreed to inform Iran whenever they came across with any difficulty concerning execution of the views.

He dwelt on reasons behind Iran's investment in Central Asian and the Caucasus republics despite numerous problems in the region and said that fortunately, the problems were "temporary" and the resources were very rich to the effect that a "very good" prospect awaited them. Therefore, he added, Iran's having cooperation with the countries would favor all parties and on the other hand Iran considered its own duty to help regional countries solve their problems.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Shevardnadze for his part specified that Georgia and other Central Asian and Caucasus countries welcomed Iran's likely investments in Georgia. The Georgian official briefed the audience on Tehran-Tbilisi relations and called as "optimistic and of mutual interest" prospect of bilateral cooperation. Furthermore, he described as an event of "high importance" in Georgian history the visit by President Rafsanjani and termed their talks as "fruitful".

A large group of Iranian and foreign correspondents as well as Georgian reporters were present at the conference.

World Bank To Grant 'Rehabilitation' Credit

AU2104163895 Tbilisi SVOBODNAYA GRUZIYA in Russian 11 Apr 95 p 1

[BS-PRESS report under rubric "According to Reports From Correspondents and Information Agencies": "Georgia Will Receive Part of the World Bank Credit as Early as in April"]

[FBIS Translated Text] Georgian Deputy Prime Minister Temur Basilia stated on national television on 4 April that the $75 million allocated to Georgia by the World Bank in the form of long-term rehabilitation credit will be used to finance state budget programs.

According to the deputy prime minister, the World Bank credit will contribute to an improvement in the republic's financial system and the more effective implementation of economic reform.

Georgia will receive the first part of the credit—$10-15 million—as early as in April and it will be allocated individual amounts of $5 million over the next nine months.

Basilia also stated that negotiations with representatives of the IMF concerning the allocation of a stand-by credit will be concluded in May of this year.

Regarding his visit to Holland, the deputy prime minister stated that a Georgian delegation took part in a session of the international committee of the IMF and World Bank. The prospects for restructuring Georgia's debt to the EU and also the question of Georgia becoming a member of the International Financial Corporation were discussed during the meetings held. Basilia said that the Dutch side had promised to pay the initial membership fee of $800,000.

Germany Sends 25 Tonnes of Relief Supplies

LD2304143295 Moscow ITAR-TASS in English 1414 GMT 23 Apr 95

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] Tbilisi, April 23 (ITAR-TASS)—A shipment of 25 tonnes of relief supplies has arrived in Georgia from Germany.

The supplies delivered under the auspices of the United Nations International Children's Fund include food, medicines, wheelchairs and other necessities.

The plane that delivered the aid also brought German physicians and four Georgian children who had undergone treatment in Oberhausen. All expenses on their treatment were covered by the German side.

Shevardnadze Discusses Situation With OSCE Official

LD2204192595 Tbilisi Radio Tbilisi Network in Georgian 1700 GMT 22 Apr 95

[FBIS Translated Excerpt] The press service of the Georgian head of state reports that today Eduard Shevardnadze met a delegation from the Organization for Security and Cooperation in Europe [OSCE] led by (Dezso Horvath), head of the current OSCE chairman's office.

The meeting discussed the political situation in Georgia. It was stressed that it is clear that the process of stabilization and state building has begun. As regards important landmarks in the life of the country such as the adoption of a constitution and the holding of elections, it was noted that significant work has been carried out: Consultations have been held with international organizations, the experience of other countries has been taken into account, and several drafts of the constitution have been examined. Reflecting the country's special character, the final draft envisages a federal organization for the country. It creates the right conditions for the protection of the country's territorial integrity and the settlement of conflicts. [passage omitted]

At the end of the meeting, the head of state spoke highly of the activity of international organizations, particularly the OSCE. This activity can definitely be regarded as a basis for conflict settlement and will bring the long and complex process, which was started for the good of the country, to a logical, positive conclusion.

Shevardnadze: Preconditions Exist To Settle Conflict

LD2204152095 Moscow INTERFAX in English 1251 GMT 22 Apr 95

[FBIS Transcribed Text] TBILISI, April 22 (Interfax)—The Georgian leader Eduard Shevardnadze believes that important preconditions have emerged for settling the conflict between Georgia and Ossetia peacefully. He made this statement on Saturday [22 April] at a meeting with the OSCE delegation that had arrived in Tbilisi to discuss ways to settle the conflict.

As Interfax learned from Shevardnadze's press service, for their part members of the OSCE delegation pointed to the need to resolve the issue of South Ossetia's political status as part of Georgia. As they said, a major

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

goal of their visit is to conduct active consultations with both sides and attempt to draw their positions closer.

In the meantime the chairman of the Georgian parliament's commission for national defense and security Nodar Natadze told Interfax that Shevardnadze's staff is drafting a document on restoring political autonomy for South Ossetia.

However, he said, the parliament will oppose the plans to grant South Ossetia the status of autonomy. "A special political status in Georgia can be granted only to Abkhazia, since the Abkhazians are indigenous people in that territory. As for the Ossets, they came from across the Caucasus Mountains only 300 years ago," he said. "The status of autonomy granted to South Ossetia will inevitably raise the issue of unifying South and North Ossetia, and we have no right to allow this," Nazadze said.

Tbilisi Dissatisfied With Peacekeepers in Abkhazia

LD2104151695 Moscow INTERFAX in English 1242 GMT 21 Apr 95

[FBIS Transcribed Text] MOSCOW, April 21 (Interfax)—Georgia is not satisfied with the peacekeepers' activities in Abkhazia, Aleksandre Chikvaidze, the Georgian Foreign Minister told Interfax in Moscow Friday. Chikvaidze is taking part in the session of the CIS Council of Foreign Ministers.

Chikvaidze said that Georgia put a question not only on the extending of the peacekeepers' mandate but also on its expansion.

Chikvaidze advocated giving peacekeeping forces police powers. "This would ensure success in ceasing genocide and other violations of human rights in Abkhazia," he said.

The head of Georgia's Foreign Ministry said he ignored "the problem of Russia's imperial ambitions, our relations with Russia's Foreign Ministry are fine."

Parliament Forms Commission on Elections, Constitution

AU2204174095 Tbilisi SVOBODNAYA GRUZIYA in Russian 8 Apr 95 p 1

[SVOBODNAYA GRUZIYA report: "An Interim Parliamentary Commission Has Been Formed"]

[FBIS Translated Text] In order to ensure that the scheduled elections to the Georgian Parliament and local bodies of administration are held on time and proceeding from the situation that has taken shape following the violation of the deadlines for preparing a new version of the 1921 Georgian Constitution, the Georgian Parliament decrees:

1. To form an interim parliamentary commission on questions connected with the scheduled elections to the Georgian Parliament and local bodies of administration and the current constitutional process.

2. To entrust this commission to submit proposals within two weeks on ensuring that the scheduled elections to the Georgian Parliament and local bodies of administration are held on time and on resolving the problems that have arisen as a result of delays connected with preparing a new version of the Constitution.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Estonia

Meri: Kozyrev Statement Attests to 'Belligerent' Approach

LD2104142195 Moscow INTERFAX in English 1242 GMT 21 Apr 95

[FBIS Transcribed Text] Tallinn, April 21 (Interfax)—Kozyrev's statement that Russia may resort to arms to guarantee the rights of compatriots abroad testifies to its "more belligerent" approach to political matters. Such a view was voiced by President Lennart Meri of Estonia in an interview with the Dutch radio station RSFB, the transcript of which was released by the presidential office Friday.

Meri noted that the "several months of slaughter in Chechnya call for a new political logic, and Russia has begun to practice military interference" for political purposes.

"As usual, the army in Russia is regarded as a force capable of solving political problems," Meri stressed.

A change in Russia's policy is also borne out "by its opposition to the plans of NATO's expansion to the east," and "the more bellicose policy" of Russia inspires "concern not only in the Baltic region but across Northern Europe, within the European Union and among our allies in NATO" Meri underlined.

He then noted that "Estonia is mature enough to resist attempts to be drawn" into petty political squabbles.

In his opinion, there have been no changes in the life of ethnic Russians in Estonia "that would give Kozyrev grounds" for making such statements.

Meri regretted that "some Russian politicians have not learned anything from history."

Speaking in Moscow last Thursday at a foreign policy meeting on the position of ethnic Russians in CIS and Baltic countries, Kozyrev noted that to protect compatriots living abroad, there is "a wide choice of options—from the expression of faint displeasure by an anonymous Russian Foreign Ministry official to the use of political and economic sanctions." Among these options, he also pointed to "direct armed force" that could be put into action in some instances.

"It is another matter how to use this range of options. One should not regard them, the use of force included, as absolute", Kozyrev stressed.

Baltic Assembly: Ruutel on Internal Border Disputes

LD2104173795 Tallinn Radio Tallinn Network in Estonian 1400 GMT 21 Apr 95

[FBIS Translated Excerpt] Arnold Ruutel, the leader of the Estonian delegation, said in his speech at the sixth session of the Baltic Assembly in Riga today, that the Estonian-Latvian herring war is a petty squabble that does not justify damaging the relations between the two states. Ruutel hoped that the governments of the two countries will be able to resolve the issues of the herring war quickly. [passage omitted] Ruutel added that the good-neighborly relations between Estonia and Latvia are so precious that they must not be spoiled because of a couple of herrings.

The main bone of contention with regard to the Estonian-Latvian sea border is good fishing grounds off the island of Ruhnu, which are Estonian territorial waters according to the law on Estonian aquatic borders.

The difference of opinion over sea borders between Estonia, Latvia, and Lithuania is one of the main issues at the Baltic Assembly session. In addition to the herring war, the assembly is also trying to resolve differences of opinion between Estonia and Latvia over the sea border in the Gulf of Riga. In the context of the session, Estonian Foreign Minister Riivo Sinijarv and Latvian Foreign Minister Valdis Birkavs are also meeting in Riga today to discuss the herring war in particular.

The forum in Riga cannot avoid the border disputes between Latvia and Lithuania, either. Differences of opinion between them have emerged over the part of the Baltic Sea where oil was discovered several years ago. The Latvian Government has concluded a contract for thorough exploration of the oil deposits with the U.S. Amoco Corporation. Lithuania has protested against this activity because it believes that a large part of the oil deposit is in the Lithuanian economic zone, BNS reports.

Estonian, Finnish Police Discuss Drug Trafficking

LD2104191195 Tallinn Radio Tallinn Network in Estonian 1600 GMT 21 Apr 95

[FBIS Translated Text] Police leaders of the Baltic states are concerned about the growing numbers of serious crimes. This was said at a seminar on international police cooperation, held in the Finnish town of Espoo.

According to STT [Suomen Tietotoimisto] press agency, Priit Kelder, head of Estonian Interpol, said the work of the Estonian police had been hindered by high staff turnover and a power struggle between political forces, which also affects the police. As an example, Kelder noted the fact that the director-general of the Estonian Police Department had changed four times in the past year. Kelder said that staffing problems had led to a situation where only 700 of the 5,000 Estonian policemen have completed three-month courses.

Kelder tried to alleviate the worries of these Finns who are afraid of the formation of a Tallinn-Helsinki drugs route. The Finnish central criminal police have recently investigated the import of 20 kg of hashish to Finland from Estonia. The Estonian police, Kelder said, have not observed any signs of organized drug trafficking from Estonia to Finland; there are only isolated cases.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Olli Urponen, head of the Finnish police, spoke about the Estonian-Finnish crime-fighting agreements which are to be signed during a visit to Finland by Estonian President Lennart Meri in May.

Envoy to UN Affirms Support for Nuclear Disarmament Pacts

WS2404091695 Tallinn ETA in English 1739 GMT 23 Apr 95

["News Release"]

[FBIS Transcribed Text] Trivimi Velliste, Ambassador and permanent representative of Estonia in UN, said in the nuclear disarmament conference in New York that Estonia does everything it can to avoid nuclear danger, press service of Foreign Ministry told ETA.

Velliste supported in the name of Estonian government the standpoints of the European Union and six East European countries associated with it. Estonia supports START-1 and START-2 agreements and hopes the agreement forbidding all nuclear tests will be signed soon.

Representative of Estonia emphasized in his speech that during the cold war nuclear weapons were kept in the Soviet bases of occupied Estonia and for that reason the Estonians know what nuclear danger is and do their best in avoiding it in the future.

Latvia

U.S. Firm To Demolish Skrunda Radar Station 4 May

LD2304171095 Moscow NTV in Russian 1500 GMT 23 Apr 95

[Report by "Segodnya" correspondents Dmitriy Novikov and Juris Benders]

[FBIS Translated Text] This former Soviet secret installation was built in the 1980's, 150 km from Riga, in the small town of Skrunda. The 60-meter structure was to have been one of the most important Soviet stations for listening to objects in space. At the beginning of the 1990's, construction of the station was put on ice.

After the withdrawal of Russian troops from Latvia, the authorities of this Baltic state announced the destruction of the unfinished radar station. Preparatory work is now being completed here. An American demolition firm will blow up the radar station. Its representative Tom (Dold) is sure that it will be one of the most beautiful explosions in the world. He says that in 12 seconds 1.5 tonnes of dynamite will turn the former Soviet symbol of military superiority into a heap of rubble.

Local residents called this military building a monster. In the 1980's after construction of the radar station came to an end, several agreed to return home. They thought that living near a working radar station was very dangerous for them, because in the event of any international military conflict opponents usually destroy such installations first.

The radar station was built over a decade. Most of the work was done by military constructors. The Americans preparing to demolish the building say that the construction of some of the interior rooms of the station will probably remain a secret to them.

According to information from several well-informed sources, NATO military consultants proposed the demolition of this former Soviet radar station to official Riga. These sources think that in return, the North Atlantic Alliance will be prepared to consider offering Latvia certain security guarantees.

Explosives were delivered here last night. The radar station will be surrounded by police on the day of the explosion, 4 May. It is not ruled out that Latvian President Ulmanis will come especially to detonate the explosion.

Lithuanian Note on Oil Extraction on Baltic Sea Shelf

WS2404122395 Riga LABRIT in Latvian 7 Apr 95 p 1

[Report by Guntis Kokars: "Lithuania Submits Next Note to Latvia"]

[FBIS Translated Text] The Lithuanian Ministry of Foreign Affairs announced to news agencies that it had submitted a note to Latvian Ambassador Alberts Sarkanis on Tuesday.

The note protests against Latvian negotiations with companies from third countries on exploring possibilities for extracting oil from the continental shelf, actually belonging to Lithuania.

The Lithuanian side announced that the Latvian Government's attitude toward the Lithuanian continental shelf can be regarded as disparaging to the sovereignty of Lithuania. The Lithuanian side emphasized that this is not in compliance with good neighborly relations, and with Latvian obligations accepted at the Baltic Council of Ministers. The note stresses that in spite of the goodwill and initiative on the part of Lithuania, Latvia is acting contrary to the agreement reached in mutual negotiations. Lithuania, in its note, demands stopping activities which are illegal and directed against the sovereign interests of Lithuania. Lithuania does not accept any Latvian agreements with third countries, if they regard exploration and extraction of oil on the Lithuanian continental shelf. The current situation forces Lithuania to reject its previous proposals regarding limitation [as published] of the Baltic Sea. These proposals were submitted during talks with Latvia. At present, Lithuania proposes that negotiations on limitation of the Baltic sea area be initiated immediately with the Latvian Government.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ambassador To Represent State at 9 May Moscow Celebrations

WS2104151295 Riga DIENA in Latvian 12 Apr 95 p 1

[Report by Janis Kulmanis: "Peters Will Represent Latvia at the Celebrations in Moscow"]

[FBIS Translated Text] Riga, 11 Apr—As was announced by the press center of the Latvian Embassy in Moscow, Latvian President Guntis Ulmanis has authorized Janis Peters, Latvian Ambassador to Russia, to participate in the celebrations to be held in Moscow on the occasion of the 50th anniversary of the end of World War II.

Today, Peters delivered Ulmanis' letter adressed to the Russian Ministry of Foreign Affairs, in which the Latvian president explains why he cannot come to Moscow on 9 May. As is known, Ulmanis officially announced on 3 April that he will not participate in the Moscow celebrations.

In a released statement, the press center of the Latvian Embassy to Russia lauded the decision of the Saeima [parliament] to appoint 8 May as the day of defeat of the Nazis, as well as the memorial day honoring victims of the World War II.

During the meeting, rumors on recalling the Russian Ambassador to Latvia, Alexandr Rannikh, were denied.

President Sends Letter to Yeltsin Regarding 9 May Ceremony

WS2104152195 Riga LABRIT in Latvian 12 Apr 95 p 1

[Report by LABRIT News Service: "Guntis Ulmanis' Letter Delivered in Moscow"]

[FBIS Translated Text] Today, Latvian Ambassador to Moscow Janis Peters submitted to the Russian Ministry of Foreign Affairs Latvian President Ulmanis' letter to Boris Yeltsin. The letter has already been conveyed to the Kremlin.

According to the Latvian Embassy in Moscow, the letter explains—by referring to World War II events—the reasons why the Latvian president cannot be present at the celebrations held in Moscow on 9 May.

The president has authorized Janis Peters, the Latvian ambassador to Russia, to participate in the ceremony.

During talks at the Foreign Affairs Ministry, other questions were also discussed. The ambassador received official confirmation that there are no plans being prepared for recalling the Russian Ambassador to Latvia Aleksandr Rannikh from his post in Riga.

Repressed Persons Law Places Responsibility on U.S.

WS2404122695 Riga LABRIT in Latvian 13 Apr 95 p 2

[Unattributed commentary: "Losses Suffered by Repressed Persons Should Also Be Compensated by the United States and England"]

[FBIS Translated Excerpt] The status of a person repressed under the Communist regime will also be granted to Latvians and Livs who suffered repressions on the territory of Latvia and outside of it.

Those who were repressed but at the same time participated in the implementation of the repressions, will not be granted this status.

Certification of a repressed person will be based on documents provided by the State Archive or other state institutions, as well as on the conclusions of the Committee for Assessment of the Crimes of Totalitarian Regimes. In case no documents proving repression can be found in the archives, a certificate will be issued on the grounds of a court decision. The rights of the politically repressed will be guaranteed by the state. [passage omitted]

In transition regulations [parejas notekumi], a proposal submitted by Janis Kokins was accepted, stating that the Cabinet of Ministers should engage in interstate negotiations on compensation of losses, suffered by the Latvian state and its citizens from both regimes, not only with Russia and Germany, but also with the United States and Great Britain, as members of the Yalta and Potsdam conferences.

Birkavs, Estonian Counterpart Sign Memorandum on Sea Border

LD2204125695 Riga Radio Riga Network in Latvian 2000 GMT 21 Apr 95

[FBIS Translated Text] On 21 April one step was taken in the direction of an agreement between Latvia and Estonia: Namely, Latvian Foreign Minister Valdis Birkavs, met Riivo Sinijarv, foreign minister of the Republic of Estonia. During the talks, both sides assessed the state of mutual relations between Estonia and Latvia. They were unanimous that they must be seen as friendly and constructive. They discussed future possible activities in Baltic cooperation, relations between the Baltic countries and the European Union, transatlantic structures, and the general political situation in the Baltic region. During the talks the two sides assessed the present situation in the bilateral Latvian-Estonian talks on determining the sea border. The foreign ministers of the two countries emphasized their interest in and desire for resolving the present situation as soon as possible in a way acceptable to both sides. At the end of the talks, Valdis Birkavs and Riivo Sinijarv signed a memorandum of understanding laying down the principles for future cooperation between the two countries in talks on the sea border and economic zones.

Latvian, Polish Finance Ministers Hold News Conference

LD2204114995 Riga Radio Riga Network in Latvian 1100 GMT 22 Apr 95

[FBIS Translated Text] Grzegorz Kolodko, Polish deputy prime minister and minister of finance, is visiting

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Latvia. Today Grzegorz Kolodko and Latvian Minister of Finance Andris Piebalgs held a news conference. They were appreciative of the two countries' cooperation. In mutual trade, both positive and missed opportunities were noted. Last year Poland's exports to Latvia were worth $43 million, but imports from Latvia were worth only $8 million. There are 250 Latvian-Polish joint ventures in Latvia, but they are small. In the near future, ferry traffic between Gdansk and Gdynia and Liepaja is planned. At the beginning of next year, a free trade agreement between the two countries is due to be concluded.

Baltic Assembly Concerned Over Kozyrev's Comments

LD2204222195 Moscow ITAR-TASS World Service in Russian 1914 GMT 22 Apr 95

[FBIS Translated Text] Riga, 22 Apr—The Baltic Assembly, which ended here today, has voiced "profound concern" at recent statements by Russian Foreign Minister Andrey Kozyrev. The Baltic Assembly, an interparliamentary organization made up of 20 legislators each from Lithuania, Latvia, and Estonia, believes that Russia "frequently demonstrates its aggressiveness" in violation of international standards. The deputies from the Baltic states called for an assessment of "those of Russia's actions and expressed intentions that flout human rights and create a threat to the security of other countries."

At the end of two days' work the Assembly, whose decisions are of a recommendatory nature, adopted 14 documents. These touch upon both internal Baltic problems, and also express a joint position on a number of issues. Those attending the session backed a proposal to nominate Sergey Kovalev, Russian human rights defender, for a Nobel prize. In their view, the UN should examine the issue of "the right of the Chechen people to self-determination and freedom from colonialism."

The Assembly welcomed the decision of the presidents of the three Baltic countries and Poland not to take part in the festivities to celebrate the 50th anniversary of "the Victory of the USSR in Europe."

Baltic Assembly in Defense of Chechnya; Leadership Elected

LD2304173395 Tallinn Estonian Television Network in Estonian 1800 GMT 23 Apr 95

[FBIS Translated Excerpt] The sixth session of the Baltic Assembly, the body for cooperation between the parliaments of Estonia, Latvia, and Lithuania, ended in Riga today. The session elected Arnold Ruutel, the leader of the Estonian delegation, to the post of assembly president and adopted 14 resolutions, statements, and recommendations about the main directions of Baltic cooperation for the coming year.

[Correspondent] The documents were signed by the leaders of the assembly: Arnold Ruutel, the president of the Baltic Assembly, and his deputies Maris Budovskis and Egidijus Bickauskas. Some of the documents were political statements and proposals. For example, to give the Nobel peace prize to Sergey Kovalev, a defender of human rights from Russia, to recognize the right of the Chechen people to self-determination, and to resolve the issue of the future of the Chechen people in a special UN committee.

[Begin Ruutel recording] At the end of the day, this does not concern Chechnya alone, but is an issue for small nations in general, and largely an issue of human rights in Russia as a whole. Even more so as certain threats have again been voiced in our direction, in the direction of the Baltic nations. [passage omitted] [end recording]

Lithuania

Brazauskas Demands Money Laundering Scandal Investigation

LD2104124295 Vilnius Radio Vilnius Network in Lithuanian 1100 GMT 21 Apr 95

[FBIS Translated Text] On the basis of Article 77 of the Lithuanian Constitution, President Algirdas Brazauskas signed a decree today, in which he required that the State Controller carry out and completes no later than 20 May a new investigation on how the 22 August 1991 law on taking over the property of the Lithuanian Communist Party and the Soviet Union Communist Party. The president's decree also demands that the State Controller should investigate how the property that was taken over has been used or how it is used at present.

The material collected by the State Control Department will have to be passed on to the General Prosecutor's Office so that the latter can take relevant decisions on legal procedures.

The General Prosecutor's Office is bound by the presidential decree to investigate whether deeds of the persons, mentioned in press publications to this effect, constitute corpus delicti.

Government Seeks 'Indefinite' Extension of NPT

WS2104140395 Tallinn BNS in English 1405 GMT 21 Apr 95

[FBIS Transcribed Text] Vilnius, Apr 21, BNS—A Lithuanian Government delegation, headed by Foreign Minister Povilas Gylys, left for New York Friday to attend a U.N. conference on review and extension of the Nuclear Non-Proliferation Treaty.

One of Lithuania's main foreign policy aims is to prevent the spread of nuclear weapons and to seek effective steps by the international community in this respect, the Lithuanian Foreign Ministry's press service reported.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Lithuania's position on the issue coincides with the position of a majority of world nations, including members of the European Union and NATO—the Nuclear Non-Proliferation Treaty must be extended for an indefinite time, the press service said.

Lithuania joined the treaty in June 1991, thus demonstrating its determination to encourage global arms control and disarmament processes. Being a country which uses nuclear power, Lithuania is especially interested in non-discriminatory development of nuclear energy, a principle set forth in the treaty.

All signatories to the NPT, both nuclear and non-nuclear nations, underscore the need to seek further disarmament and constant reduction and elimination of nuclear arsenals, the press service noted. It is especially important that all nations consistently fulfill their obligations, it added.

"Statements made more than once by high-ranking officials of the Russian Federation that Russia will not observe the START II agreements if NATO will try to expand toward the East go against the spirit of the Nuclear Non-Proliferation Treaty," the Lithuanian ministry noted.

A joint statement by five nuclear powers about the extension of security guarantees to all non-nuclear nations was an extremely important factor for global security, the report said.

Prime Minister Slezevicius Visits Venezuela

LD2404095295 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 24 Apr 95

[FBIS Translated Text] A Lithuanian governmental delegation headed by Prime Minister Adolfas Slezevicius started its visit to Venezuela and Colombia.

Today, on the first day of its visit, the Lithuanian delegation will meet the president, the prime minister, and the minister of foreign affairs of the Republic of Venezuela.

Polish Deputy Prime Minister Visits; To Discuss Agriculture

LD2404103795 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 24 Apr 95

[FBIS Translated Text] Lithuanian President Algirdas Brazauskas today received Roman Jagielinski, Polish deputy prime minister and agriculture minister.

The Polish deputy prime minister arrived in Vilnius today on a two-day working visit to discuss the liberalization of trade in agricultural produce and to (?share) Polish experience in reorganizing agriculture in accordance with the standards of the European Union.

Jagielinski will discuss prospects of cooperation with Lithuanian Agriculture Minister Vytautas Einorius. On 25 April, Roman Jagielinski will visit the international agricultural fair, AgroBalt '95, the Baltic News Service reported.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.